CSO Economic Trends

ARTICLES

Energy consumption in the United Kingdom

No. 427
May 1989

Release dates of economic statistics to be published in June 1989

This is issued by the Central Statistical Office on behalf of the Government Statistical Service and other organisations as a guide to the publication dates of major economic series in June 1989. The dates are targets which are correct at time of going to press. Exceptionally, there may be delays due to unavoidable statistical problems. Enquiries about release of individual series should be made to the source named.

Publication date	Series	Method of release	Source
June			
Thurs 1	Investment intentions of the manufacturing and service industries (Spring survey)	PN	DTI
Fri 2	Company liquidity survey (1st quarter)	British Business	DTI
	UK official reserves (May)	PN	HMT
	Capital issues and redemptions (May)	PN	Bank of England
Mon 5	Retail sales (April-final)	PN	DTI
	Credit business (April)	PN	DTI
Tue 6	Housing starts and completions (April)	PN	DOE
	House renovations (1st quarter)	PN	DOE
Wed 7	Advance energy statistics (April)	PN	Dept. of Energy
	Overseas travel and tourism (March)	PN	DE
	Detailed analysis of employment, unemployment, earnings, prices and other indicators	Employment Gazette	DE
Thurs 8	CBI/FT Survey of distributive trades (May)	PN	CBI
Fri 9	Construction output (1st quarter)	PN	DOE
Mon 12	Retail sales (May-provisional)	PN	DTI
	Producer price index numbers (May-provisional)	PN	DTI
Tue 13	International banking statistics (1st quarter)	PN	Bank of England
Thurs 15	UK Balance of payments (1st quarter)	PN	CSO
	Capital expenditure by the manufacturing and service industries (1st quarter-revised)	PN	DTI
	Provisional figures of vehicle production (May)	PN	DTI
	Labour market statistics: unemployment and vacancies (May-provisional); average earnings indices (April-provisional); employment, hours, productivity and unit wage costs; industrial disputes	PN	DE
Fri 16	Usable steel production (May)	PN	BSC/BISPA
	Public sector borrowing requirement (May)	PN	HMT/CSO
	Index of output of the production industries (April)	PN	CSO
	Tax and price index (May)	PN	CSO
	Retail prices index (May)	PN	DE
Sun 18	National Savings monthly progress report (May)	PN	Dept. for National Savings
Mon 19	CBI Monthly Trends Enquiry (June)	PN	CBI
Tue 20	London and Scottish banks monthly statement (May)	PN	CLSB
	Provisional estimates of monetary aggregates (May)	PN	Bank of England
	Gross domestic product (1st quarter-provisional)	PN	CSO
Wed 21	Construction — new orders (April-provisional)	PN	DOE
Thurs 22	Manufacturers' and distributors' stocks (1st quarter-revised)	PN	DTI
Fri 23	Engineering sales and orders at current and constant prices (April)	British Business	DTI
	Cyclical indicators for the UK economy (May)	PN	CSO
	Building societies monthly figures (May)	PN	BSA
Mon 26	Food facts (1st quarter)	PN	MAFF
Tue 27	Personal income and expenditure (1st quarter)	PN	CSO
	Industrial and commercial companies (1st quarter)	PN	CSO
	Balance of payments current account and overseas trade figures (May)	PN	DTI/CSO
	New vehicle registrations (May)	PN	DTp
Thurs 29	London sterling certificates of deposit (May)	PN	Bank of England
	Bill turnover statistics (May)	PN	Bank of England
	UK banks' assets and liabilities and the money stock (May)	PN	Bank of England
	Sterling commercial paper (May)	PN	Bank of England
	Energy trends (April)	PN	Dept. of Energy

PN = Press Notice

Economic Trends

No 427
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A service of statistical information and advice is provided to Government by specialist staffs employed in the statistics division of individual Departments. Statistics are made generally available through their publications and further information and advice on them can be obtained from the Department concerned.

The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone: 01-270 6363/6364

Enquiries about orders and subscriptions for *Economic Trends* and other Central Statistical Office publications should be made to:

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Introduction

Economic Trends brings together all the main economic indicators. It contains three regular sections of tables and charts illustrating trends in the UK economy:

'Latest developments' presents the most up-to-date statistical information available during the month. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier. All data in this section are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

The main section is based on information available to the CSO on the date printed at the foot of this page and shows the movements of the key economic indicators. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

The section on cyclical indicators shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 22 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.
2. Similarly, almost all quarterly data are seasonally adjusted; those not seasonally adjusted are indicated by NSA.
3. Some data, particularly for the latest time period, are provisional and may be subject to revision in later issues.
4. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.
5. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.
6. 'Billion' denotes one thousand million.
7. There may sometimes be an inconsistency between a table and the corresponding chart, because the data may be received too late to update the chart. In such cases it should be assumed that the table is correct.
8. Symbols used:
   - .. not available
   - \- nil or less than half the final digit shown
   - \+ alongside a heading indicates a series for which measures of variability are given in the table on page 83
   - † indicates that the data has been revised since last edition; the period marked is the earliest in the table to have been revised
   - * average (or total) of five weeks.

The Editor would welcome readers' suggestions for improvements to Economic Trends.

Central Statistical Office, 26 May 1989

CSO Databank

Virtually all the series in *Economic Trends* and the Quarterly Articles may be obtained via the CSO Databank Magnetic Tape Service. This enables users to obtain (in computer-readable form) a much more comprehensive and up-to-date set of long run macro-economic time series data than can be included in this publication.

Details of the service offered and the schedule of changes may be obtained from the Databank Manager, CSO Branch 9, Room 52/4, Government Offices, Great George Street, London SW1P 3AQ (telephone 01-270 6386). CSO does not offer direct on-line access for these data but a list of host bureaux offering such a facility is available on request from CSO.

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Latest developments in the economy

Data available at 24 May 1989

Balance of payments

The current account for April is estimated to have been in deficit by £1655 million compared with a deficit of £1177 million in March. In April, exports were valued at £7143 million and imports at £9297 million so that the trade in goods was in deficit by £2155 million. There was a deficit on visible trade of £6.0 billion in the latest three months compared with a deficit of £5.6 billion in the three months ended January. The surplus on invisibles in the latest three months is projected at £1.5 billion.

The deficit on visible trade in April was £2155 million compared with a deficit of £1677 million in March. The value of exports in April was 3½ per cent lower than in March; excluding oil and the erratic items, they fell by 1½ per cent. The value of imports in April was 2¼ per cent higher than in March; excluding oil and the erratic items, they were 3 per cent higher than in March.

By volume, exports fell by 1½ per cent in the three months ended January and the latest three months, but were 1 per cent higher than in the same period a year earlier. Excluding oil and the erratic items, export volume rose by 1½ per cent in the latest three months and was 8½ per cent higher than in the same period a year ago. The underlying level of non-oil export volume has been rising in recent months.

Total import volume in the latest three months was 2½ per cent higher than in the previous three months and 15 per cent higher than in the same period last year. Excluding oil and the erratic items, import volume rose by 1 per cent in the latest three months to be 15 per cent higher than in the same period a year ago. The underlying level of non-oil import volume has been growing more slowly in recent months.

Capital expenditure

The provisional estimate of capital expenditure by the manufacturing, construction, distribution and financial industries in the first quarter of 1989 is £9166 million, at 1985 prices; nearly 3 per cent higher than in the preceding quarter and over 16 per cent higher than in the first quarter of 1988. The volume of investment in the last twelve months was 17 per cent higher than in the preceding twelve months.

The provisional estimate of manufacturers' total direct investment in the first quarter of 1989 (taking into account the leasing of assets to manufacturers from the financial industries) is £2986 million at 1985 prices; nearly 5 per cent higher than in the previous quarter and over 8½ per cent higher than in the first quarter of 1988. The volume of investment (including leased assets) in the last twelve months was nearly 12½ per cent higher than in the preceding twelve months. On the same annual basis of comparison, expenditure (including leasing) on vehicles increased by 33½ per cent, on plant and machinery by over 11½ percent and on new building work by nearly 6 per cent.

The provisional estimate of investment by the construction, distribution and financial industries (excluding leasing to manufacturers) in the first quarter of 1989 is £6180 million at 1985 prices; 1½ per cent higher than in the preceding quarter, and over 20 per cent higher than in the first quarter of 1988. The volume of investment in the last twelve months (excluding leasing to manufacturers) was 19½ per cent higher than in the preceding twelve months. On the same basis, expenditure (excluding leasing) on individual assets rose by 21½ per cent for new building work, by 12 per cent for vehicles and by over 21 per cent for plant and machinery.

Consumers' expenditure

The provisional index of the rebased volume of retail sales in March was 120.9 (1985=100), below the levels in February and March.

In the three months February to April, the level of sales was over 1 per cent higher than in the previous three months and 4 per cent above that in the corresponding period a year earlier.

Monetary aggregates

Provisional information suggests that in the twelve months to April and before seasonal adjustment, M0 rose by 5.0 per cent, M3 by 20.7 per cent, M4 by 17.9 per cent and M5 by 17.3 per cent. In April M0 rose by 0.1 per cent, M3 by 0.5 per cent, M4 by 0.5 per cent and M5 by 0.6 per cent, before seasonal adjustment. After seasonal adjustment, M0 rose by 0.1 per cent, M3 by 1.0 per cent, M4 by 0.9 per cent and M5 rose by 1.0 per cent.

Unemployment and vacancies

The level of unemployment in the UK decreased by 60,200 to 1.856 million in April, 6.5 per cent of the workforce. Over the past six months unemployment has fallen on average by 50,300 per month. The stock of unfilled vacancies at Jobcentres decreased by 800 in the month to April to 222,100. Over the past three months to April, vacancies have decreased on average by 2,400 per month.

Employment

New figures this month show that in March the estimated number of employees in employment in manufacturing industries in Great Britain decreased by 8,000, contributing to a fall of 5,000 in the first quarter of 1989. Over the year to March 1989 the number of employees in manufacturing industries fell by 3,000 compared with a rise of 97,000 in the previous 12 months and a fall of 151,000 in the year to March 1987.

The workforce in employment is estimated to have increased by 143,000 in the fourth quarter of 1988 and by 2,951,000 since March 1983 (when the upward trend began).

Earnings

The underlying increase in average weekly earnings in the year to March was about 9¼ per cent, the same as the increase in the year to February. The actual increase in the year to March, at 8.9 per cent, was below the underlying increase as back pay in March 1988 was higher than in 1989 and some of this year's annual settlements have not yet been paid.

In production industries, the underlying increase in average

weekly earnings in the year to March was about 9¼ per cent, the same as the increase in the year to February, which has been revised downwards from 9½ per cent. Within this sector, in manufacturing industries, the underlying increase in the year to March was about 9 per cent, the same as the increase in the year to February, which has also been revised downwards by ¼ per cent. The actual increases for production industries and manufacturing industries in the year to March were 8.9 per cent and 8.4 per cent respectively.

Productivity

Manufacturing output per head in the three months to March was 0.5 per cent higher than in the previous three months ending December and 6.0 per cent higher than in the same period a year earlier. Output per head in the whole economy in the fourth quarter of 1988 was 0.2 per cent lower than in the previous quarter and 0.5 per cent higher than in the same period a year earlier.

Unit wage and salary costs

In the three months ending March 1989 wages and salaries per unit of output in manufacturing industries were 3.1 per cent above the corresponding period a year earlier. This increase was below the rise in average earnings in manufacturing as there was a rise of about 6 per cent in productivity over this period.

Official reserves and exchange rate (not seasonally adjusted)

The UK official reserves rose by $325 million in April to $47,256 million. The reserves were reduced by repayments of borrowing under the exchange cover scheme amounting to $66 million. There was no new borrowing under the exchange cover scheme. Proceeds from the seventh tender of UK ECU Treasury Bills amounted to $862 million, whereas maturing UK ECU Treasury Bills were $864 million. After taking account of foreign currency borrowing and repayments and the valuation change, the underlying change in the reserves during April, including the BP receipts, was a rise of $215 million.

The average Exchange Rate Index fell from 95.90 in March to 95.44 in April, a fall of 0.48 per cent.

Prices (not seasonally adjusted)

The general index of retail prices for all items for April 18 1989 was 114.3 (January 13 1987=100). This represents an increase of 1.8 per cent on March 1989 and an increase of 8.0 per cent on April 1988. The rise in the index between March and April was mainly the result of annual price increases in local authority rates, rents and water charges. Petrol, food and clothing prices were also higher. The Tax and Price Index (TPI) for April 1989 was 109.8 based on January 1987 = 100. Over the twelve months to April the increase in the TPI was 8.3 per cent, compared with an increase of 8.0 per cent in the Retail Prices Index.

The price index for materials and fuel purchased by manufacturing industry rose by 7.8 per cent in the twelve months ended April, after having risen by 6.9 per cent in the twelve months ended March. Between March and April the index rose by 1.5 per cent, mainly because of higher prices for home-produced food, manufacturing and electricity. The seasonally adjusted index rose by 1.6 per cent between March and April.

Stockbuilding

Provisional figures indicate that the level of stocks held by manufacturers, wholesalers and retailers fell by £108 million, at 1985 prices, in the first quarter of 1989. Retailers and wholesalers reduced their stocks by £267 million and £46 million respectively, whilst the stock level of the manufacturing sector rose by £205 million.

Within manufacturing, stocks of finished goods increased by about £92 million and stocks of materials and fuel by around £77 million. Stocks of work in progress rose by £36 million in the first quarter.

The stock/output ratio fell from 82.9 at the end of December to 82.7 at the end of March.

1 Selected monthly indicators

	Volume of retail sales (GB)+ (1980=100)[1]	Index of output of production industries (1985=100)	Unemployed (thousands)	Vacancies at job centres (thousands)	Average earnings - whole economy (GB) (1985=100)	Producer price index of materials and fuel (1985=100)	Retail prices index (all items) (January 1987=100) (NSA)	Tax and price index (January 1987=100) (NSA)	Sterling exchange rate index (1985=100) (NSA)	UK official reserves ($ million) (NSA)	Balance of payments: current balance (£ million)	Money stock M4 (£ million)
	FAAM	DVIM	BCJD	DPCB	DNAB	DZDQ	CHAW	DQAB	AJHV	AIPI	AIMF	AUYN
1987 Oct	133.0	107.8†	2 663.9	259.9	118.6	96.5	102.9	100.9	91.4	41 399	-505	297 441†
Nov	133.5	107.7	2 604.4	265.1	120.2	95.6	103.4	101.5	93.2	41 281	-712	298 522
Dec	133.4*	108.0	2 568.6	254.9	121.0	95.6	103.3	101.4	93.6	44 326	-841	304 321
1988 Jan	135.0	108.3	2 519.4	250.8	121.8	95.4	103.3	101.4	92.8	43 093	-1 113	305 113
Feb	135.4	108.8	2 485.0	249.6	122.0	95.7	103.7	101.8	92.2	42 927	-1 168	309 825
Mar	135.4*	108.6	2 453.9	249.4	124.0	96.0	104.1	102.3	95.3	47 519	-720	315 705
Apr	136.3	108.7	2 402.9	255.9	124.4	96.9	105.8	101.4	97.2	47 857	-815	319 206
May	137.7	109.4	2 363.8	254.5	124.2	98.2	106.2	101.9	97.6	48 533	-1 029	321 171
Jun	137.0*	110.1	2 324.1	255.1	125.1	100.1	106.6	102.3	95.3	48 519	-901	327 413
Jul	140.0	110.5	2 267.3	249.7	126.9	100.5	106.7	102.4	94.7	49 826	-1 813	334 737
Aug	139.5	110.5	2 225.6	242.8	126.6	99.8	107.9	103.7	96.1	50 639	-905	338 715
Sep	138.4*	111.0	2 191.7	240.3	127.6	99.3	108.4	104.3	94.8	50 482	-720	346 112
Oct	141.2	110.5	2 157.9	251.2	129.5	99.0	109.5	105.4	95.7	50 048	-2 382	349 035
Nov	140.4	111.2	2 105.2	245.2	130.7	99.7	110.0	106.0	96.6	51 040	-1 612	350 821
Dec	140.8*	110.5	2 037.4	238.3	134.3	100.3	110.3	106.3	97.7	51 685	-1 489	358 000
1989 Jan	137.4	109.1	1 987.8	229.2	133.3	101.1	111.0	107.1	97.9	51 705	-1 501†	360 400
Feb	141.7	108.9	1 948.7	228.1	133.8†	101.0	111.8	108.0	97.3	51 683	-1 680	367 159
Mar	141.7*	109.6	1 916.6†	222.9	135.0	102.8†	112.3	108.5	95.9	46 931	-1 177	373 773
Apr	..	..	1 856.4	222.1†	..	104.4	114.3†	109.8†	95.4†	47 256†	-1 655	..
Percentage change, latest three months on previous three months												
1987 Oct	*2.4*	*1.4*	*-4.8*	*5.9*	*1.6*	*1.0*	*0.6*	*0.7*	*0.1*			
Nov	*1.7*	*1.1*	*-5.3*	*8.9*	*1.9*	*-0.2*	*0.9*	*1.1*	*1.7*			
Dec	*1.4*	*1.3*	*-5.5*	*8.7*	*2.4*	*-0.7*	*1.1*	*1.2*	*2.5*			
1988 Jan	*1.3*	*1.0*	*-5.6*	*3.9*	*2.7*	*-1.0*	*0.8*	*1.0*	*2.7*			
Feb	*1.3*	*0.6*	*-5.2*	*-1.8*	*2.4*	*-0.6*	*0.5*	*0.6*	*1.1*			
Mar	*1.5*	*0.1*	*-4.8*	*-3.9*	*2.2*	*-0.2*	*0.5*	*0.6*	*0.8*			
Apr	*1.3*	*0.1*	*-4.6*	*-2.1*	*2.1*	*0.7*	*1.2*	*0.4*	*1.8*			
May	*1.4*	*1.1*	*-4.7*	*0.6*	*2.1*	*1.5*	*1.9*	*0.3*	*4.1*			
Jun	*1.3*	*1.4*	*-4.9*	*2.1*	*1.5*	*2.8*	*2.4*	-	*3.5*			
Jul	*1.8*	*1.8*	*-5.3*	*0.6*	*1.5*	*3.5*	*1.9*	*0.4*	*1.0*			
Aug	*1.7*	*1.3*	*-5.6*	*-1.6*	*1.5*	*3.2*	*1.6*	*0.9*	*-1.4*			
Sep	*1.6*	*1.1*	*-5.7*	*-4.3*	*1.9*	*1.5*	*1.4*	*1.6*	*-1.6*			
Oct	*1.1*	*0.6*	*-5.5*	*-3.3*	*2.0*	*-0.2*	*2.0*	*2.2*	*-0.3*			
Nov	*0.8*	*0.5*	*-5.3*	*-1.5*	*2.5*	*-0.8*	*2.1*	*2.4*	*0.3*			
Dec	*1.1*	*0.1*	*-5.7*	*0.3*	*3.5*	*-0.2*	*2.1*	*2.4*	*1.5*			
1989 Jan	-	*-0.4*	*-6.8*	*-2.9*	*3.8*	*1.0*	*1.7*	*1.9*	*2.0*			
Feb	*-0.1*	*-1.3*	*-7.5*	*-5.6*	*3.5*	*1.5*	*1.6*	*1.8*	*2.0*			
Mar	*-0.2*	*-1.4*	*-7.1*	*-7.4*	*1.9*	*2.0*	*1.6*	*1.9*	*0.4*			
Apr	..	..	*-6.7*	*-5.6*	..	*2.4*	*2.1*	*2.2*	*-1.2*			
Percentage change, latest three months on corresponding period of previous year												
1987 Oct	*6.3*	*4.2*	*-12.8*	*21.8*	*7.9*	*5.5*	..	..	*4.0*			
Nov	*5.8*	*3.7*	*-14.1*	*24.5*	*8.1*	*4.2*	..	..	*6.7*			
Dec	*5.6*	*4.4*	*-15.2*	*24.6*	*8.4*	*3.4*	..	..	*8.9*			
1988 Jan	*6.4*	*4.8*	*-16.4*	*22.0*	*8.6*	*2.5*	..	..	*9.1*			
Feb	*6.9*	*4.1*	*-16.9*	*19.1*	*8.6*	*2.1*	..	..	*8.8*			
Mar	*7.8*	*4.0*	*-17.4*	*16.8*	*8.8*	*1.9*	*3.4*	*1.4*	*7.8*			
Apr	*6.5*	*3.1*	*-17.8*	*16.3*	*8.9*	*2.1*	*3.6*	*1.5*	*7.6*			
May	*7.0*	*3.6*	*-18.1*	*13.7*	*8.7*	*2.8*	*3.9*	*1.8*	*7.4*			
Jun	*6.4*	*4.1*	*-18.5*	*11.8*	*8.2*	*3.8*	*4.3*	*2.1*	*6.9*			
Jul	*7.0*	*4.3*	*-18.8*	*8.4*	*8.0*	*4.3*	*4.5*	*2.4*	*5.8*			
Aug	*6.3*	*4.2*	*-19.2*	*5.8*	*8.1*	*4.0*	*5.0*	*3.0*	*5.6*			
Sep	*5.9*	*4.0*	*-19.4*	*2.1*	*8.3*	*3.5*	*5.5*	*3.4*	*5.2*			
Oct	*5.6*	*3.5*	*-19.3*	*-1.0*	*8.5*	*3.0*	*6.0*	*4.0*	*5.3*			
Nov	*5.3*	*3.5*	*-19.2*	*-4.3*	*8.7*	*3.3*	*6.2*	*4.3*	*4.2*			
Dec	*5.6*	*2.7*	*-19.6*	*-5.8*	*9.5*	*3.9*	*6.5*	*4.6*	*4.2*			
1989 Jan	*4.3*	*2.1*	*-20.3*	*-7.5*	*9.7*	*5.1*	*6.9*	*5.0*	*4.5*			
Feb	*4.1*	*1.7*	*-21.1*	*-7.9*	*9.9*	*5.5*	*7.3*	*5.5*	*5.1*			
Mar	*3.8*	*1.2*	*-21.5*	*-9.3*	*9.2*	*6.2*	*7.7*	*5.9*	*3.9*			
Apr	..	..	*-22.1*	*-10.8*	..	*6.8*	*7.9*	*6.8*	*1.4*			

1 The series has been revised to take account of updated seasonal adjustment factors.

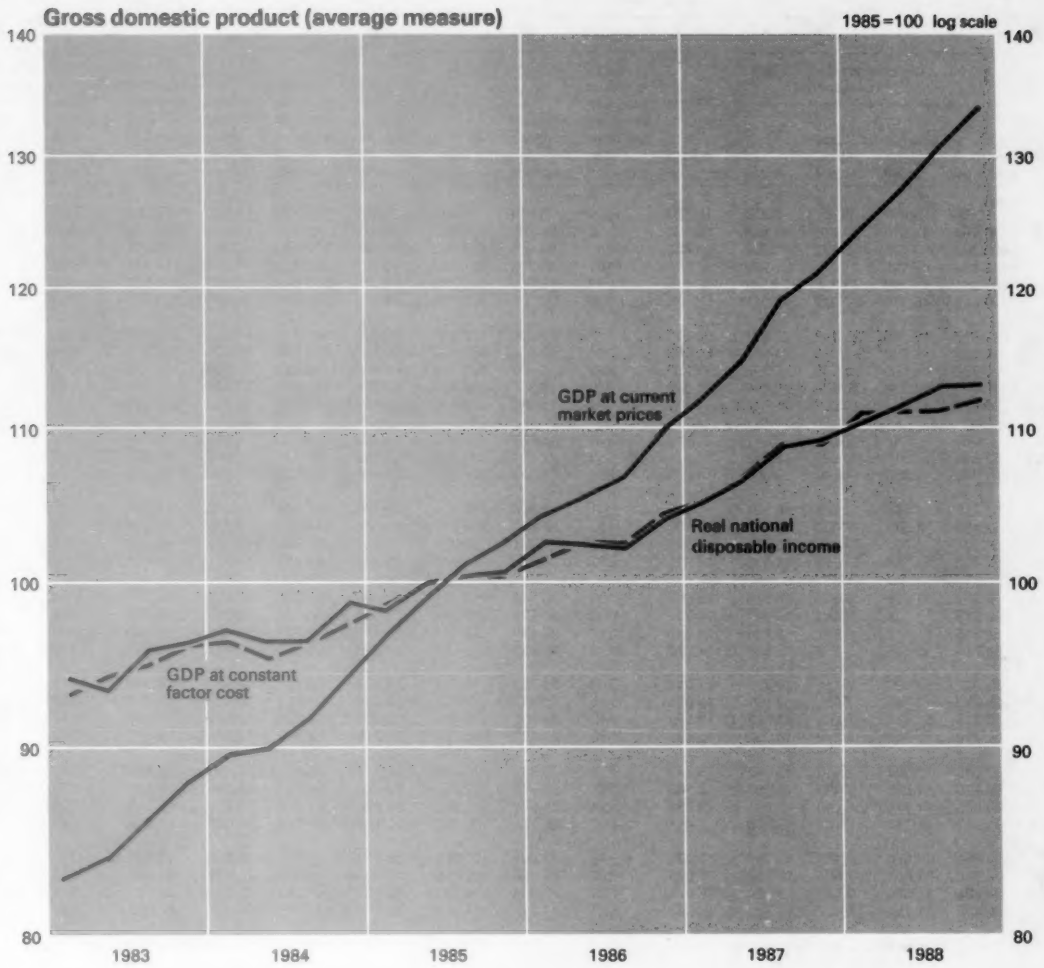
Sources: Department of Trade and Industry; Department of Employment; Central Statistical Office; Bank of England

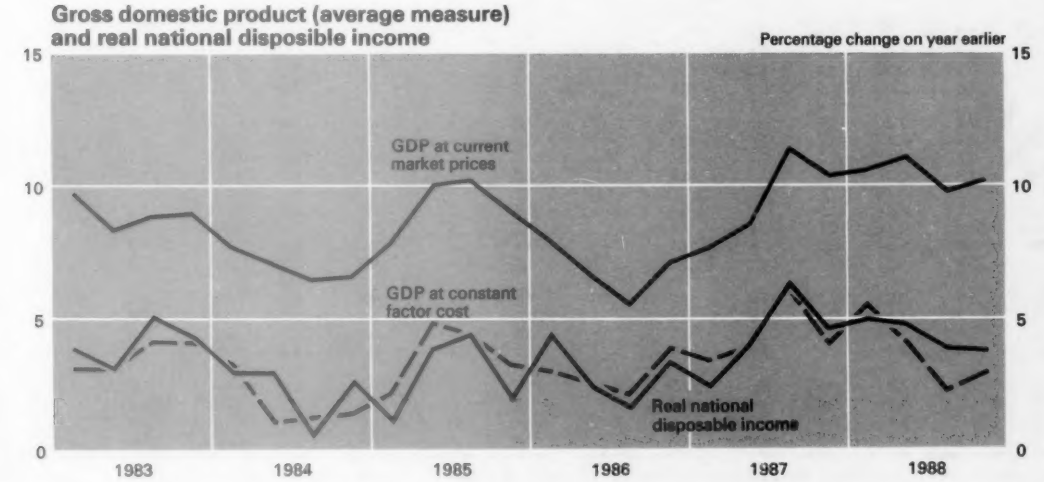
2 National accounts aggregates

	Gross domestic product									Gross national disposable income: average estimate at 1985 market prices[3]	Implied gross domestic product deflators based on expenditure data	
	At current prices				At 1985 prices							
	At market prices		At factor cost			At factor cost						
	Average estimate (£ mn)	Average estimate[1] (1985=100)	Expenditure-based estimate (£ mn)	Income-based estimate (£ mn)	Average estimate at market prices (1985=100)	Average estimate (1985=100)	Expenditure-based estimate (1985=100)	Income-based estimate[2] (1985=100)	Output-based estimate (1985=100)		At market prices (1985=100)	At factor cost[4] (1985=100)
	CAOB	DJCL	DJAE	DJAL	FNAO	DJDD	DJDE	DIAR	DSAE	DJCR	DJDT	DJCM
1979	197 415	55.7	172 108	171 696	93.0	92.8	92.8	92.3	92.9	91.5	59.9	61.0
1980	230 671	65.1	200 453	199 377	90.8	90.7	91.1	90.3	90.2	90.0	71.7	72.3
1981	253 914	71.6	218 736	217 716	89.6	89.7	90.3	89.5	89.0	89.6	79.9	79.7
1982	277 973	78.4	236 951	238 025	91.2	91.3	91.4	91.5	90.9	91.2	86.0	85.2
1983	302 982	85.5	260 027	260 925	94.5	94.7	95.0	95.0	94.0	95.0	90.4	90.0
1984	324 077	91.4	277 981	278 175	96.6	96.4	96.2	95.9	97.0	97.2	94.6	94.9
1985	354 454	100.0	304 437	305 429	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	378 767	106.9	322 550	321 978	103.2	103.0	103.2	102.7	102.9	103.0	103.5	102.6
1987	415 017	117.1	352 791	352 295	108.0	107.5	107.7	107.2	107.8	107.5	108.4	107.6
1988	458 598	129.4	384 781	390 992	111.9	111.6	110.5	111.9	112.4	112.2	115.6	114.4
			DJBA	DJBE								
1984 Q2	79 815	90.1	68 165	68 226	96.0	95.5	95.0	94.8	96.6	96.4	93.8	94.3
Q3	81 377	91.8	69 422	70 087	96.5	96.3	95.8	96.4	96.6	96.4	95.2	95.3
Q4	83 430	94.2	72 028	72 004	97.6	97.4	97.5	97.1	97.6	98.8	96.5	97.1
1985 Q1	85 756	96.8	74 103	73 782	98.7	98.6	98.8	98.1	98.9	98.3	98.0	98.5
Q2	87 912	99.2	75 792	75 761	100.0	100.2	100.3	99.9	100.4	100.1	99.2	99.3
Q3	89 756	101.3	77 023	77 262	100.6	100.6	100.8	100.8	100.1	100.7	100.7	100.4
Q4	91 030	102.7	77 519	78 624	100.6	100.6	100.1	101.2	100.6	100.8	102.1	101.8
1986 Q1	92 562	104.5	79 151	79 553	101.8	101.7	101.8	102.0	101.3	102.8	102.6	102.1
Q2	93 782	105.8	80 225	79 925	103.0	102.8	103.5	102.7	102.3	102.7	102.7	101.9
Q3	94 818	107.0	80 239	80 075	103.1	102.7	102.7	102.2	103.3	102.4	103.8	102.6
Q4	97 605	110.1	82 935	82 425	104.9	104.6	105.0	104.0	104.8	104.3	105.0	103.8
1987 Q1	99 704	112.5	85 216	84 591	105.5	105.3	105.8	104.6	105.4	105.2	106.6	105.9
Q2	101 814	114.9	86 545	86 973	107.3	106.9	106.8	107.0	106.9	106.8	107.1	106.4
Q3	105 750	119.3	90 124	89 629	109.4	109.0	109.6	108.6	108.7	108.9	109.0	108.1
Q4	107 749	121.6	90 906	91 102	109.6	109.0	108.5	108.4	110.1	109.1	110.9	110.1
1988 Q1	110 387	124.6	92 807	95 487	111.2	111.2	109.8	112.6	111.2	110.6	112.0	111.1
Q2	113 196	127.7	95 747	95 918	111.7	111.4	111.2	111.1	111.8	111.9	114.4	113.1
Q3	116 158	131.1	96 396	99 206	111.8	111.5	109.3	112.1	113.2	113.2	117.3	115.9
Q4	118 857	134.1	99 831	100 381	112.9	112.3	111.5	111.8	113.5	113.3	118.8	117.6
Percentage change, quarter on corresponding quarter of previous year[5]												
1984 Q2	*7.1*	*7.1*	*7.6*	*5.5*	*1.9*	*1.2*	*1.1*	*-0.9*	*3.2*	*3.0*	*5.1*	*6.5*
Q3	*6.5*	*6.5*	*5.6*	*6.4*	*1.8*	*1.3*	*0.4*	*1.2*	*2.1*	*0.6*	*4.6*	*5.1*
Q4	*6.6*	*6.6*	*7.3*	*6.6*	*1.8*	*1.5*	*1.5*	*0.9*	*1.8*	*2.7*	*4.7*	*5.7*
1985 Q1	*7.9*	*7.9*	*8.4*	*8.7*	*2.5*	*2.3*	*2.4*	*2.7*	*2.4*	*1.2*	*5.3*	*5.8*
Q2	*10.1*	*10.1*	*11.2*	*11.0*	*4.2*	*4.9*	*5.6*	*5.4*	*4.3*	*3.9*	*5.7*	*5.3*
Q3	*10.3*	*10.3*	*10.9*	*10.2*	*4.3*	*4.5*	*5.3*	*4.6*	*3.9*	*4.5*	*5.8*	*5.4*
Q4	*9.1*	*9.1*	*7.6*	*9.2*	*3.1*	*3.3*	*2.7*	*4.2*	*3.4*	*2.0*	*5.8*	*4.8*
1986 Q1	*7.9*	*7.9*	*6.8*	*7.8*	*3.1*	*3.1*	*3.1*	*4.0*	*2.5*	*4.5*	*4.6*	*3.6*
Q2	*6.7*	*6.7*	*5.8*	*5.5*	*3.0*	*2.6*	*3.2*	*2.8*	*2.0*	*2.5*	*3.6*	*2.6*
Q3	*5.6*	*5.6*	*4.2*	*3.6*	*2.5*	*2.2*	*1.9*	*1.4*	*3.3*	*1.7*	*3.1*	*2.2*
Q4	*7.2*	*7.2*	*7.0*	*4.8*	*4.3*	*3.9*	*4.9*	*2.8*	*4.1*	*3.4*	*2.8*	*2.0*
1987 Q1	*7.7*	*7.7*	*7.7*	*6.3*	*3.6*	*3.5*	*3.8*	*2.6*	*3.9*	*2.4*	*3.9*	*3.7*
Q2	*8.6*	*8.6*	*7.9*	*8.8*	*4.1*	*4.0*	*3.3*	*4.2*	*4.3*	*4.0*	*4.3*	*4.5*
Q3	*11.5*	*11.5*	*12.3*	*11.9*	*6.1*	*6.1*	*6.7*	*6.3*	*5.3*	*6.3*	*5.1*	*5.3*
Q4	*10.4*	*10.4*	*9.6*	*10.5*	*4.5*	*4.2*	*3.4*	*4.2*	*5.1*	*4.7*	*5.7*	*6.0*
1988 Q1	*10.7*	*10.7*	*8.9*	*12.9*	*5.4*	*5.6*	*3.8*	*7.6*	*5.7*	*5.1*	*5.1*	*4.9*
Q2	*11.2*	*11.2*	*10.6*	*10.3*	*4.1*	*4.2*	*4.1*	*3.8*	*5.0*	*4.8*	*6.8*	*6.3*
Q3	*9.8*	*9.8*	*7.0*	*10.7*	*2.2*	*2.3*	*-0.3*	*3.2*	*4.3*	*3.9*	*7.5*	*7.3*
Q4	*10.3*	*10.3*	*9.8*	*10.2*	*3.0*	*3.0*	*2.8*	*3.1*	*3.1*	*3.8*	*7.1*	*6.9*

1 "Money GDP".
2 Income data deflated by the implied GDP deflator at factor cost based on expenditure data.
3 Also known as Real national disposable income (RNDI).
4 Also known as the Index of total home costs.
5 These estimates of change are based in some cases on less rounded figures than in the table.

Source: Central Statistical Office


Gross domestic product (average measure)
1985=100 log scale
140
130
120
110
100
90
80
GDP at current market prices
Real national disposable income
GDP at constant factor cost
1983
1984
1985
1986
1987
1988


Gross domestic product (average measure) and real national disposible income
Percentage change on year earlier
15
10
5
0
GDP at current market prices
GDP at constant factor cost
Real national disposable income
1983
1984
1985
1986
1987
1988

3 Gross domestic product: by category of expenditure[1]

£ million, 1985 prices

	At market prices													
	Final expenditure on goods and services													
		General government final consumption												
	Consumers' expenditure	Central government	Local authorities	Total	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Exports of goods and services	Total	*less* Imports of goods and services	Gross domestic product (expenditure based)	*less* Factor cost adjustment	Gross domestic product (expenditure based) at factor cost	Statistical discrepancy (expenditure adjustment)	Gross domestic product (average estimate) at factor cost[2]
	CCBH	DJDK	DJDL	DJCZ	DFDM	DHBK	DJCV	DJDA	DJCY	DJCX	DJCU	DJCW	GIXS	CAOP
1979	193 794	42 519	27 410	69 943	56 450	3 325	88 789	412 902	84 019	328 864	46 610	282 322	459	282 782
1980	193 806	43 775	27 272	71 050	53 416	-3 357	88 963	403 713	81 185	322 501	45 305	277 238	-744	276 495
1981	193 832	44 195	27 074	71 269	48 298	-3 191	88 205	397 812	78 922	318 852	44 246	274 614	-1 153	273 462
1982	195 561	44 509	27 318	71 826	50 915	-1 289	89 000	405 733	82 847	322 870	44 895	277 989	429	278 420
1983	204 318	45 370	27 912	73 282	53 476	1 306	91 092	423 474	88 119	335 355	46 390	288 965	-262	288 703
1984	207 927	45 755	28 142	73 897	58 075	1 072	97 029	438 000	96 687	341 313	48 514	292 799	1 110	293 909
1985	215 535	45 936	28 019	73 955	60 283	569	102 782	453 124	99 166	353 958	49 521	304 437	496	304 933
1986	227 757	46 800	28 598	75 398	61 293	689	106 607	471 744	105 521	366 223	51 893	314 330	-360	313 970
1987	240 100	46 530	29 668	76 198	66 373	916	112 355	495 942	113 370	382 572	54 767	327 805	128	327 933
1988	255 624	46 630	29 982	76 612	74 219	1 945	111 195	519 595	126 894	392 701	56 412	336 289	3 975	340 264
	CAAB	DIAV	DIAW	DIAT	DECU	DGBA	DJDG	DIAU	DJDJ	DJDI	DIAS	DJDH		
1983 Q3	51 586	11 315	6 925	18 240	13 179	585	22 710	106 300	22 165	84 135	11 563	72 572	-88	72 484
Q4	51 636	11 350	7 049	18 399	13 929	284	23 437	107 685	22 856	84 829	11 756	73 073	131	73 204
1984 Q1	51 512	11 194	7 103	18 297	14 406	341	23 858	108 414	23 100	85 314	11 886	73 428	28	73 456
Q2	52 159	11 573	7 028	18 601	14 404	-184	23 669	108 649	24 068	84 581	12 278	72 303	488	72 791
Q3	51 778	11 390	7 036	18 426	14 570	89	24 431	109 294	24 289	85 005	12 129	72 876	516	73 392
Q4	52 478	11 598	6 975	18 573	14 695	826	25 071	111 643	25 230	86 413	12 221	74 192	78	74 270
1985 Q1	53 239	11 556	6 978	18 534	15 832	-194	25 510	112 921	25 408	87 513	12 310	75 203	-35	75 168
Q2	53 225	11 406	7 041	18 447	14 756	603	26 171	113 202	24 626	88 576	12 243	76 333	56	76 389
Q3	54 315	11 468	6 942	18 410	14 917	318	25 448	113 408	24 199	89 209	12 491	76 718	-49	76 669
Q4	54 756	11 506	7 058	18 564	14 778	-158	25 653	113 593	24 933	88 660	12 477	76 183	524	76 707
1986 Q1	55 772	11 677	7 112	18 789	15 044	383	25 750	115 738	25 537	90 201	12 694	77 507	24	77 531
Q2	56 877	11 762	7 035	18 797	14 957	218	26 737	117 586	25 954	91 632	12 889	78 743	-350	78 393
Q3	57 318	11 654	7 208	18 862	15 593	-442	26 698	118 029	26 801	91 228	13 045	78 183	142	78 325
Q4	57 790	11 707	7 243	18 950	15 699	530	27 422	120 391	27 229	93 162	13 265	79 897	-176	79 721
1987 Q1	58 343	11 334	7 313	18 647	15 843	-124	27 831	120 540	26 784	93 756	13 265	80 491	-241	80 250
Q2	59 280	11 635	7 433	19 068	16 285	157	27 821	122 611	27 752	94 859	13 538	81 321	188	81 509
Q3	60 635	11 774	7 490	19 264	16 834	1 133	28 544	126 410	29 100	97 310	13 911	83 399	-331	83 068
Q4	61 842	11 787	7 432	19 219	17 411	-250	28 159	126 381	29 734	96 647	14 053	82 594	512	83 106
1988 Q1	62 951	11 580	7 485	19 065	17 725	40	27 404	127 185	29 813	97 372	13 806	83 566	1 195	84 761
Q2	62 932	11 651	7 501	19 152	18 923	607	28 454	130 068	31 340	98 728	14 064	84 664	243	84 907
Q3	64 285	11 605	7 529	19 134	18 674	-265	27 995	129 823	32 581	97 242	14 071	83 171	1 841	85 012
Q4	65 456	11 794	7 467	19 261	18 897	1 563	27 342	132 519	33 160	99 359	14 471	84 888	696	85 584
Percentage change, quarter on corresponding quarter of previous year														
1983 Q3	*5.0*	*2.3*	*1.5*	*1.9*	*0.8*		*3.0*	*5.2*	*6.7*	*4.8*	*3.1*	*5.1*		*4.1*
Q4	*3.7*	*1.6*	*1.4*	*1.5*	*6.2*		*4.5*	*5.6*	*12.5*	*3.9*	*3.2*	*4.0*		*4.2*
1984 Q1	*2.3*	*-1.0*	*2.0*	*0.1*	*8.3*		*5.7*	*3.6*	*8.1*	*2.4*	*3.2*	*2.3*		*3.3*
Q2	*2.8*	*1.6*	*0.7*	*1.3*	*10.2*		*5.8*	*3.7*	*10.8*	*1.8*	*6.3*	*1.1*		*1.2*
Q3	*0.4*	*0.7*	*1.6*	*1.0*	*10.6*		*7.6*	*2.8*	*9.6*	*1.0*	*4.9*	*0.4*		*1.3*
Q4	*1.6*	*2.2*	*-1.0*	*0.9*	*5.5*		*7.0*	*3.7*	*10.4*	*1.9*	*4.0*	*1.5*		*1.5*
1985 Q1	*3.4*	*3.2*	*-1.8*	*1.3*	*9.9*		*6.9*	*4.2*	*10.0*	*2.6*	*3.6*	*2.4*		*2.3*
Q2	*2.0*	*-1.4*	*0.2*	*-0.8*	*2.4*		*10.6*	*4.2*	*2.3*	*4.7*	*-0.3*	*5.6*		*4.9*
Q3	*4.9*	*0.7*	*-1.3*	*-0.1*	*2.4*		*4.2*	*3.8*	*-0.4*	*4.9*	*3.0*	*5.3*		*4.5*
Q4	*4.3*	*-0.8*	*1.2*	*-*	*0.6*		*2.3*	*1.7*	*-1.2*	*2.6*	*2.1*	*2.7*		*3.3*
1986 Q1	*4.8*	*1.0*	*1.9*	*1.4*	*-5.0*		*0.9*	*2.5*	*0.5*	*3.1*	*3.1*	*3.1*		*3.1*
Q2	*6.9*	*3.1*	*-0.1*	*1.9*	*1.4*		*2.2*	*3.9*	*5.4*	*3.5*	*5.3*	*3.2*		*2.6*
Q3	*5.5*	*1.6*	*3.8*	*2.5*	*4.5*		*4.9*	*4.1*	*10.8*	*2.3*	*4.4*	*1.9*		*2.2*
Q4	*5.5*	*1.7*	*2.6*	*2.1*	*6.2*		*6.9*	*6.0*	*9.2*	*5.1*	*6.3*	*4.9*		*3.9*
1987 Q1	*4.6*	*-2.9*	*2.8*	*-0.8*	*5.3*		*8.1*	*4.1*	*4.9*	*3.9*	*4.5*	*3.8*		*3.5*
Q2	*4.2*	*-1.1*	*5.7*	*1.4*	*8.9*		*4.1*	*4.3*	*6.9*	*3.5*	*5.0*	*3.3*		*4.0*
Q3	*5.8*	*1.0*	*3.9*	*2.1*	*8.0*		*6.9*	*7.1*	*8.6*	*6.7*	*6.6*	*6.7*		*6.1*
Q4	*7.0*	*0.7*	*2.6*	*1.4*	*10.9*		*2.7*	*5.0*	*9.2*	*3.7*	*5.9*	*3.4*		*4.2*
1988 Q1	*7.9*	*2.2*	*2.4*	*2.2*	*11.9*		*-1.5*	*5.5*	*11.3*	*3.9*	*4.1*	*3.8*		*5.6*
Q2	*6.2*	*0.1*	*0.9*	*0.4*	*16.2*		*2.3*	*6.1*	*12.9*	*4.1*	*3.9*	*4.1*		*4.2*
Q3	*6.0*	*-1.4*	*0.5*	*-0.7*	*10.9*		*-1.9*	*2.7*	*12.0*	*-0.1*	*1.2*	*-0.3*		*2.3*
Q4	*5.8*	*0.1*	*0.5*	*0.2*	*8.5*		*-2.9*	*4.9*	*11.5*	*2.8*	*3.0*	*2.8*		*3.0*

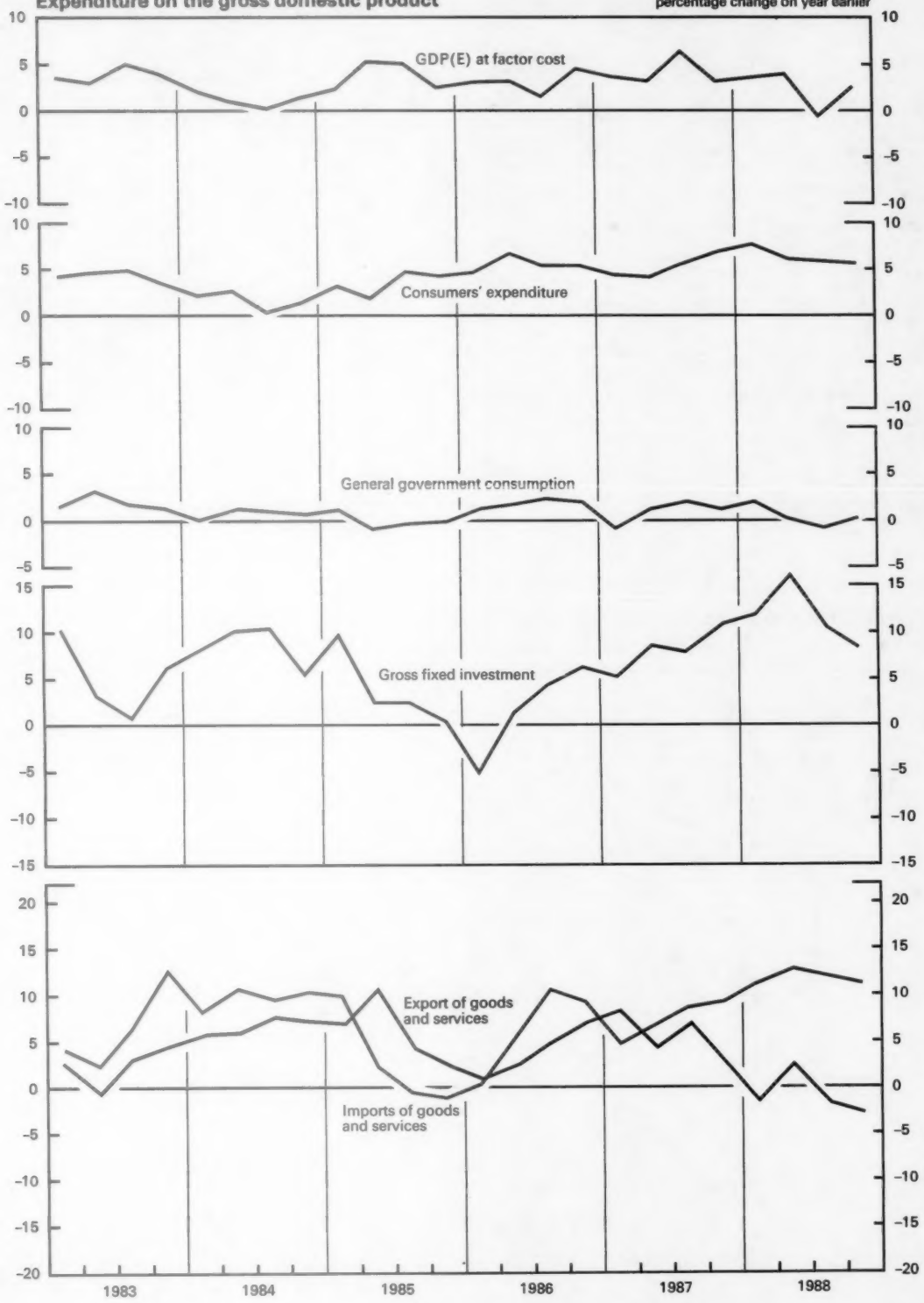
1 For years up to and including 1982, totals differ from the sum of the components because of the method used to rebase on 1985 prices.

2 Average estimates are made in seasonally adjusted form only. No equivalent unadjusted estimates exist.

Source: Central Statistical Office

Expenditure on the gross domestic product

1985 prices
percentage change on year earlier



4 Personal disposable income and consumption

	£ million, current prices					£ million, 1985 prices		
	Personal income before tax							
	Total[1]	of which: Wages, salaries and forces' pay	Total personal disposable income[2]	Consumers' expenditure	Personal saving ratio[3] (percentage)+	Real personal disposable income[4] +	Real consumers' expenditure	Real personal disposable income at 1985 prices (1985=100)
	AIIQ	AIJB	AIIW	AIIX	AIIZ	CFAH	CAAB	CFAF
1985	302 254	168 566	230 804	215 535	*9.7*	238 804	215 535	100.0
1986	325 945	182 677	256 948	237 640	*7.5*	246 260	227 757	103.1
1987	349 457	198 515	275 386	259 966	*5.6*	254 342	240 100	106.5
1988	385 580	221 890	303 051	290 706	*4.1*	266 479	255 624	111.6
1985 Q1	73 253	40 855	57 902	52 378	*9.5*	58 854	53 239	98.6
Q2	74 891	41 652	59 280	52 948	*10.7*	59 589	53 225	99.8
Q3	76 404	42 690	60 159	54 567	*9.3*	59 879	54 315	100.3
Q4	77 706	43 369	61 463	55 642	*9.5*	60 482	54 756	101.3
1986 Q1	79 436	44 362	62 416	57 368	*8.1*	60 677	55 772	101.6
Q2	80 963	45 318	63 977	58 905	*7.9*	61 771	56 877	103.5
Q3	81 829	46 048	64 690	60 107	*7.1*	61 685	57 318	103.3
Q4	83 717	46 949	65 863	61 260	*7.0*	62 127	57 790	104.1
1987 Q1	85 197	47 580	67 287	62 517	*7.1*	62 788	58 343	105.2
Q2	86 220	48 865	68 036	63 562	*6.6*	63 444	59 280	106.3
Q3	87 536	50 166	68 760	65 877	*4.2*	63 280	60 635	106.0
Q4	90 504	51 904	71 303	68 010	*4.6*	64 830	61 842	108.6
1988 Q1	93 282	53 450	73 379	70 015	*4.6*	65 970	62 951	110.5
Q2	94 273	54 611	74 402	71 063	*4.5*	65 885	62 932	110.4
Q3	96 674	55 946	76 018	73 664	*3.1*	66 336	64 285	111.1
Q4	101 351	57 883	79 252	75 964	*4.1*	68 288	65 456	114.4

1 Before providing for depreciation and stock appreciation.
2 Before providing for depreciation, stock appreciation and additions to tax reserves.
3 Personal savings as a percentage of personal disposable income.
4 Personal disposable income revalued by the implied consumers' expenditure deflator (1985 = 100).

Source: Central Statistical Office

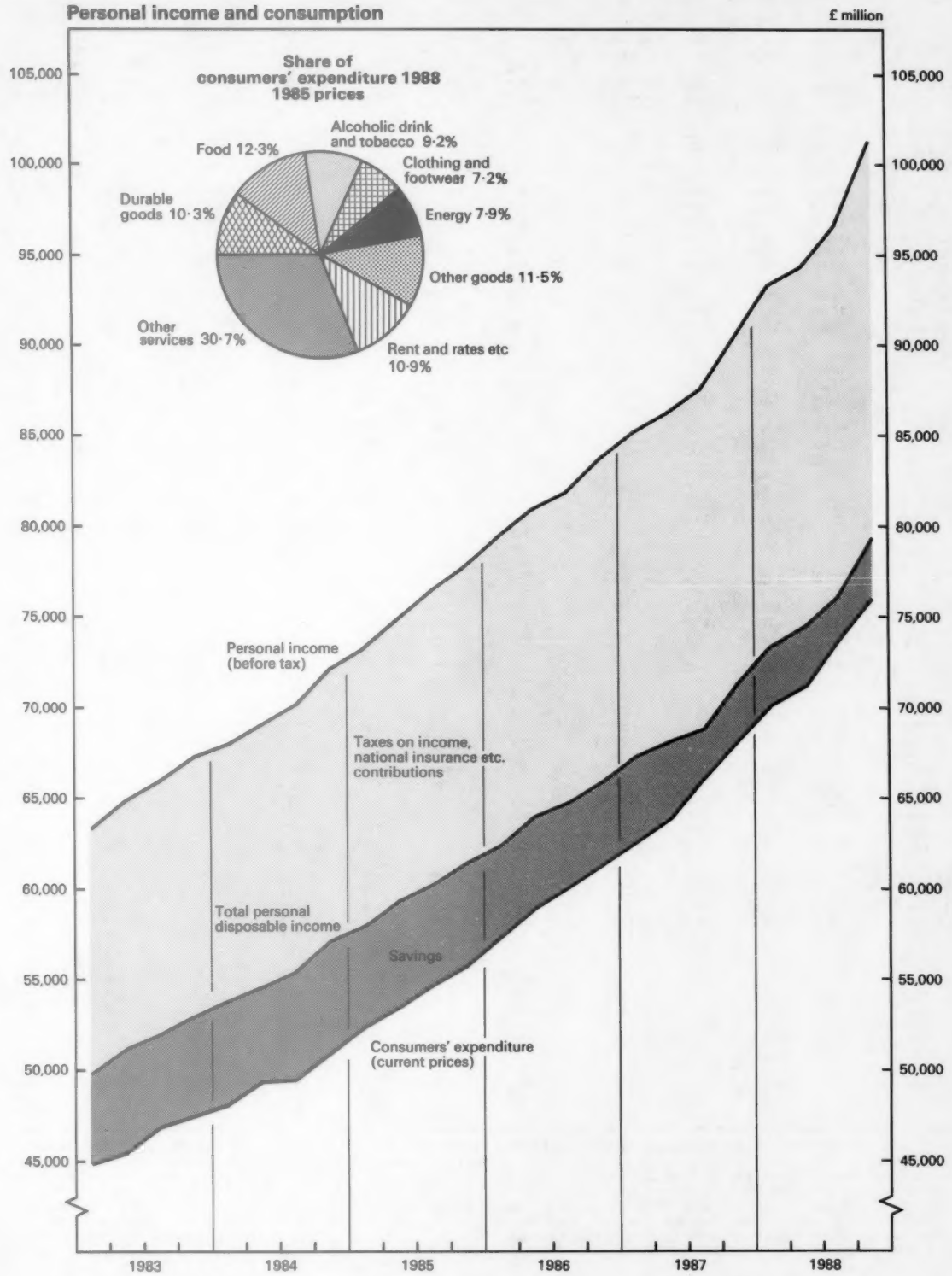
5 Real consumers' expenditure - component categories

£ million, 1985 prices

	Durable goods	Food	Alcoholic drink and tobacco	Clothing and footwear	Energy products	Other goods	Rent, rates and water charges	Other services[1]	Total
	CCBW	CCCA	FCCD	FCCE	CCCG	CCCM	CCCN	CCCJ	CAAB
1985	20 433	30 064	22 657	15 005	18 629	23 257	26 922	58 568	215 535
1986	22 249	31 225	22 512	16 319	19 360	24 800	27 269	64 023	227 757
1987	23 920	31 330	22 790	17 477	19 652	26 980	27 633	70 318	240 100
1988	26 329	31 547	23 404	18 334	20 168	29 435	28 002	78 405	255 624
1984 Q3	4 662	7 289	5 625	3 513	4 410	5 566	6 657	14 056	51 778
Q4	4 970	7 377	5 619	3 571	4 479	5 639	6 678	14 145	52 478
1985 Q1	5 029	7 422	5 667	3 694	4 573	5 683	6 699	14 472	53 239
Q2	5 008	7 498	5 639	3 756	4 626	5 768	6 720	14 210	53 225
Q3	5 228	7 581	5 646	3 779	4 724	5 884	6 740	14 753	54 315
Q4	5 168	7 563	5 705	3 776	4 706	5 942	6 763	15 133	54 756
1986 Q1	5 293	7 758	5 595	3 978	4 829	5 973	6 784	15 564	55 772
Q2	5 596	7 831	5 647	4 046	4 884	6 111	6 806	15 956	56 877
Q3	5 693	7 845	5 626	4 125	4 860	6 293	6 828	16 048	57 318
Q4	5 667	7 793	5 644	4 170	4 787	6 423	6 851	16 455	57 790
1987 Q1	5 697	7 674	5 610	4 174	4 878	6 484	6 874	16 952	58 343
Q2	5 887	7 779	5 706	4 324	4 804	6 678	6 896	17 206	59 280
Q3	6 145	7 952	5 723	4 444	4 891	6 864	6 920	17 696	60 635
Q4	6 191	7 925	5 751	4 535	5 079	6 954	6 943	18 464	61 842
1988 Q1	6 348	8 042	5 835	4 511	4 933	7 194	6 966	19 122	62 951
Q2	6 338	7 843	5 856	4 530	4 928	7 214	6 989	19 234	62 932
Q3	6 818	7 818	5 824	4 642	5 113	7 408	7 012	19 650	64 285
Q4	6 825	7 844	5 889	4 651	5 194	7 619	7 035	20 399	65 456

1 Including the adjustments for international travel, etc. and final expenditure by private non-profit-making bodies.

Source: Central Statistical Office


Personal income and consumption
£ million
Share of consumers' expenditure 1988 1985 prices
Food 12·3%
Alcoholic drink and tobacco 9·2%
Clothing and footwear 7·2%
Energy 7·9%
Other goods 11·5%
Rent and rates etc 10·9%
Other services 30·7%
Durable goods 10·3%
105,000
100,000
95,000
90,000
85,000
80,000
75,000
70,000
65,000
60,000
55,000
50,000
45,000
Personal income (before tax)
Taxes on income, national insurance etc. contributions
Total personal disposable income
Savings
Consumers' expenditure (current prices)
1983
1984
1985
1986
1987
1988

6 Retail sales, new registrations of cars and credit business (Great Britain)

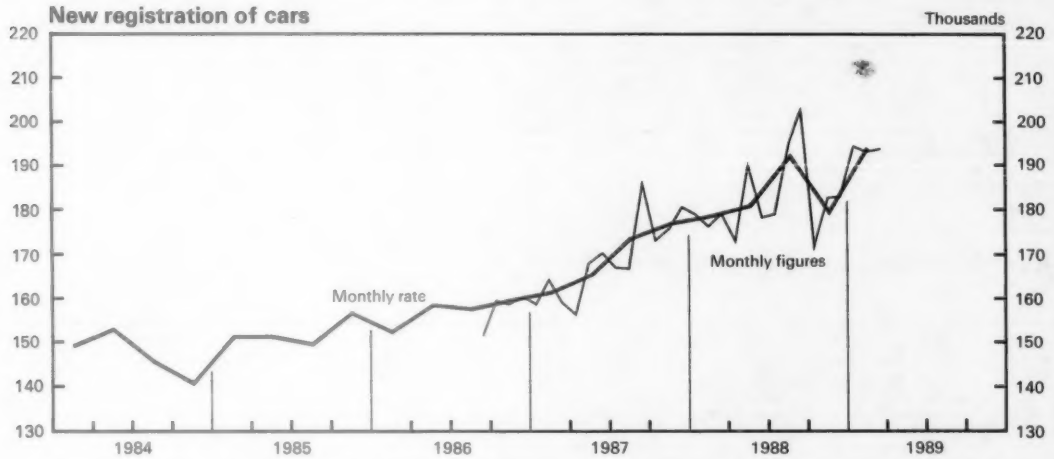
	Value of retail sales per week: total (average 1980=100)[1]	Volume of retail sales per week (average 1980=100)[1]						New registrations of cars+ (monthly average, thousands)	Consumer credit: change in total outstanding (£ million)	Credit business: changes in amounts outstanding[2] (£ million)	
		Total	Food retailers	Mixed retail businesses	Clothing and footwear retailers	Household goods retailers	Other non-food retailers			Agreements with consumers	Agreements with businesses
Sales in 1980 £ million	*58 377*	*58 377*	*22 859*	*10 945*	*5 413*	*9 234*	*9 926*				
	FAAL	FAAM	FAAN	FAAO	FAAP	FAAQ	FAAR	DKBY	-AIKM	FSBN	FSBO
1984	138.2	111.3	106.9	111.2	119	126	103	147.2	3 097	1 551	748
1985	150.4	116.4	110.8	116.7	128	135	105	152.2	3 820	2 309	442
1986	162.9	122.6	114.4	123.6	137	150	107	157.0	4 500	2 385	822
1987	176.4	129.8	118.8	131.1	148	162	113	168.9	5 969	3 867	1 221
1988	193.7	138.2	125.0	138.3	156	178	121	182.4	6 278	4 035	1 906
1985 Q2	149.4	116.1	110.5	117.5	128	134	105	151.2	893	496	113
Q3	152.4	117.3	111.8	117.7	128	137	105	149.6	1 030	656	157
Q4	153.9	117.6	111.7	116.7	130	139	105	156.8	982	696	-13
1986 Q1	157.2	119.4	113.4	119.9	132	141	105	152.2†	1 035	784	308
Q2	161.2	121.6	113.8	121.8	137	149	106	156.5	1 105	330	82
Q3	164.8	123.6	114.4	125.5	138	153	108	157.5	1 431	770	223
Q4	168.9	126.2	116.3	127.5	140	159	110	159.6	929	452	209
1987 Q1	169.4	125.5	116.7	127.2	141	154	109	160.8	1 182	957	136
Q2	174.3	128.8	118.0	129.3	147	162	113	164.8	1 616	1 066	402
Q3	178.7	131.5	119.7	132.5	150	166	115	173.4	1 518	792	374
Q4	183.1	133.3	120.9	135.5	153	168	117	176.5	1 653	1 052	309
1988 Q1	187.0	135.3	123.0	136.3	154	173	118	178.1	1 403	965	387
Q2	191.1	137.0	124.5	136.2	155	176	121	180.4	1 645	1 105	426
Q3	195.8	139.2	125.5	138.8	158	182	121	192.1	2 116	1 092	519
Q4	200.1	140.8	126.4	141.4	158	182	125	179.2	1 114	873	574
1989 Q1	202.0†	140.4	126.9†	141.0†	158†	181†	123†	193.9	..	810†	593†
1986 Oct	167.1	125.0	116.1	126.1	139	155	109	159.6	..	200	172
Nov	169.9	127.0	116.7	130.0	140	159	111	159.0	..	124	-32
Dec	169.5*	126.6*	116.2*	126.7*	142*	162*	110*	160.2	..	177	69
1987 Jan	167.0	123.6	117.5	124.9	140	145	107	158.9	..	314	41
Feb	171.2	126.9	116.4	128.8	142	159	111	164.4	..	311	52
Mar	170.0*	126.0*	116.2*	127.8*	140*	157*	110*	159.0	..	332	43
Apr	175.8	129.8	118.9	131.9	152	159	113	156.1	..	407	113
May	171.7	126.9	117.1	126.7	142	160	111	168.0	..	329	137
Jun	175.1*	129.4*	117.9*	129.4*	146*	165*	113*	170.2	..	330	152
Jul	177.4	130.8	118.8	133.6	151	164	114	167.0	..	296	82
Aug	178.6	131.6	119.7	131.5	151	167	115	166.9	..	189	157
Sep	179.8*	132.0*	120.4*	132.5*	149*	168*	116*	186.3	..	307	125
Oct	181.9	133.0	120.8	136.5	155	166	114	173.2	..	424	21
Nov	183.4	133.5	120.4	137.3	153	168	117	175.9	..	329	179
Dec	183.8*	133.4*	121.2*	133.3*	152*	169*	118*	180.4	..	299	109
1988 Jan	186.3	135.0	122.9	136.7	152	170	119	179.2	..	264	92
Feb	187.1	135.4	122.9	135.6	157	172	118	176.2	..	311	140
Mar	187.5*	135.4*	123.1*	136.6*	153*	175*	116*	178.9	..	390	155
Apr	189.5	136.3	124.3	135.4	152	174	121	172.3	..	313	124
May	191.9	137.7	124.6	135.7	157	178	122	190.6	..	363	165
Jun	191.7*	137.0*	124.6*	137.2*	155*	175*	120*	178.2	..	429	137
Jul	195.9	140.0	125.3	138.9	158	188	121	178.9	..	345	195
Aug	196.2	139.5	125.8	139.6	156	182	122	194.4	..	471	217
Sep	195.4*	138.4*	125.4*	137.9*	160*	178*	120*	203.0	..	276	107
Oct	200.2	141.2	126.9	142.0	159	184	123	171.8	..	186	160
Nov	199.8	140.4	125.5	141.8	159	182	125	182.8	..	392	335
Dec	200.4*	140.8*	126.7*	140.5*	157*	182*	127*	183.1	..	295	79
1989 Jan	197.3	137.4	123.2	137.4	155	178	123	194.5	..	224	205
Feb	203.7	141.7	128.5	142.4	160	183	123	193.3	..	260†	215†
Mar	204.4*	141.7*	128.5*	142.7*	161*	182*	124*	193.8	..	326	173

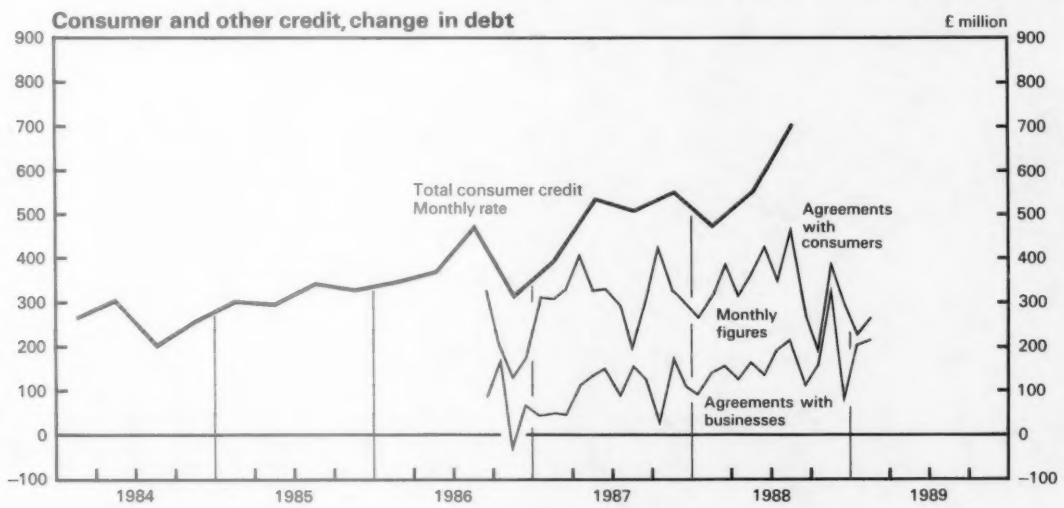
1 The series has been revised to take account of updated seasonal adjustment factors.

2 Changes in amounts outstanding to finance houses, other specialist credit grantors, selected kinds of retailers and on bank credit cards. Unsecured loans by building societies permitted under the terms of the *Building Societies Act 1986* are included from the beginning of 1987. Loans by retailers, building societies and on bank credit cards are all treated as consumer agreements. There is a break at the end of 1985. Before this, loans on bank credit cards and agreements block discounted with finance houses and other specialist credit grantors were excluded. Loans to consumers by finance houses and other specialist credit grantors covered agreements regulated under the *Consumer Credit Act 1974* and loans to business covered other agreements. There is a break after October 1988 in the series for consumers. This is the result of a change in recording practice relating to bank credit cards.

Sources: Department of Trade and Industry; Department of Transport

Volume of total retail sales
Weekly average 1980=100
150
145
140
135
130
125
120
115
110
105
100
Monthly figures
Monthly rate
1984
1985
1986
1987
1988
1989


New registration of cars
Thousands
220
210
200
190
180
170
160
150
140
130
Monthly figures
Monthly rate
1984
1985
1986
1987
1988
1989


Consumer and other credit, change in debt
£ million
900
800
700
600
500
400
300
200
100
0
–100
Total consumer credit
Monthly rate
Agreements with consumers
Monthly figures
Agreements with businesses
1984
1985
1986
1987
1988
1989

7 Gross domestic product and shares of income and expenditure

	Gross domestic product at current factor cost		Total final expenditure (current market prices) (£ mn)	Percentage share of total final expenditure						Percentage share of gross domestic product (income-based)				
						Gross fixed investment					Gross trading profits[1]			
	Expenditure-based (£ mn)	Income-based (£ mn)		Consumers' expenditure	General government consumption	General government	Public corporations	Private sector	Exports	Income from employment	Companies	Other[2]	Income from self-employment[1]	Other income[3]
	DJBA	DJBE	DIAB	FBBD	FBBE	FBBF	FBBG	FBBH	FBBI	FBBJ	FBBK	FBBL	FBBM	FBBN
1984	277 981	278 175	416 010	47.5	16.8	1.5	1.8	9.9	22.2	64.8	14.6	2.9	9.6	8.1
1985	304 437	305 429	453 124	47.6	16.3	1.5	1.3	10.6	22.7	63.7	16.6	2.4	9.3	8.0
1986	322 550	321 978	480 680	49.4	16.5	1.5	1.1	10.8	20.5	65.1	14.6	2.5	9.6	8.2
1987	352 791	352 295	526 959	49.3	16.2	1.3	0.8	11.7	20.3	64.3	16.4	1.8	9.5	8.0
1988	384 781	390 992	578 849	50.2	15.8	1.0	0.8	13.1	18.6	64.4	16.8	1.8	9.3	7.7
													FBBO	
1985 Q1	74 103	73 782	112 265	46.7	16.3	1.3	1.4	11.2	23.2	64.1	16.8	1.7	17.5	
Q2	75 792	75 761	112 958	46.9	16.2	1.5	1.3	10.2	23.7	63.5	16.8	2.4	17.3	
Q3	77 023	77 262	113 518	48.1	16.3	1.5	1.2	10.5	22.1	63.7	16.1	2.9	17.2	
Q4	77 519	78 624	114 383	48.6	16.5	1.5	1.1	10.5	21.8	63.6	16.7	2.4	17.3	
1986 Q1	79 151	79 553	117 233	48.9	16.6	1.5	1.2	10.5	20.9	64.2	15.7	2.6	17.5	
Q2	80 225	79 925	118 779	49.6	16.6	1.5	1.2	10.5	20.4	65.1	14.5	2.7	17.7	
Q3	80 239	80 075	120 172	50.0	16.7	1.4	1.1	11.1	20.0	65.9	13.7	2.3	18.1	
Q4	82 935	82 425	124 496	49.2	16.3	1.4	1.1	10.9	20.5	65.2	14.5	2.4	17.9	
1987 Q1	85 216	84 591	126 304	49.5	16.3	1.4	1.0	11.0	20.8	64.3	16.1	1.8	17.8	
Q2	86 545	86 973	129 172	49.2	16.3	1.3	0.7	11.8	20.5	64.1	16.6	1.7	17.5	
Q3	90 124	89 629	135 245	48.7	16.1	1.2	0.9	11.8	20.4	63.8	17.0	1.8	17.4	
Q4	90 906	91 102	136 238	49.9	16.2	1.3	0.8	12.2	19.6	64.8	16.0	1.9	17.3	
1988 Q1	92 807	95 487	138 090	50.7	15.9	1.3	0.9	12.5	18.7	63.6	17.8	1.6	16.9	
Q2	95 747	95 918	143 580	49.5	15.8	1.1	0.8	13.5	18.9	64.6	16.4	1.9	17.1	
Q3	96 396	99 206	146 433	50.3	15.9	0.8	0.8	13.5	18.9	64.0	17.2	1.9	16.9	
Q4	99 831	100 381	150 746	50.4	15.7	0.9	0.7	13.0	18.0	65.3	15.8	1.8	17.1	

1 After providing for stock appreciation.
2 Gross trading surplus of public corporations and general government enterprises.
3 Rent income, and imputed charge for consumption of non-trading capital.

Source: Central Statistical Office

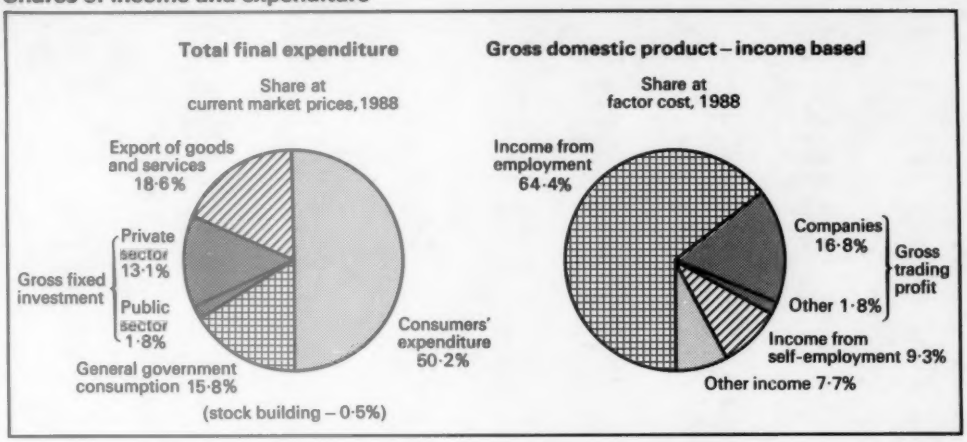
8 Income, product and spending per head

£

	At current prices				At 1985 prices		
	Average estimate						
	Gross national product at factor cost	Gross domestic product at factor cost	Consumers' expenditure	Personal disposable income	Gross domestic product at factor cost (average estimate)	Consumers' expenditure	Personal disposable income
	CAQA	CAQB	FBCC	FBCD	CAQC	FBCF	FBCH
1984	5 020	4 942	3 497	3 912	5 206	3 683	4 119
1985	5 435	5 386	3 806	4 218	5 386	3 806	4 218
1986	5 770	5 676	4 187	4 527	5 531	4 012	4 339
1987	6 294	6 200	4 567	4 837	5 761	4 218	4 467
1988	6 935	6 829	5 100	5 316	5 969	4 484	4 674
							CAIU
1985 Q1	1 326	1 310	926	1 024	1 329	941	1 041
Q2	1 352	1 340	935	1 047	1 350	940	1 053
Q3	1 373	1 359	963	1 062	1 354	959	1 057
Q4	1 384	1 377	982	1 085	1 353	966	1 067
1986 Q1	1 415	1 396	1 012	1 101	1 367	984	1 070
Q2	1 430	1 408	1 038	1 128	1 382	1 002	1 089
Q3	1 442	1 416	1 059	1 139	1 379	1 009	1 086
Q4	1 483	1 456	1 078	1 159	1 403	1 017	1 093
1987 Q1	1 520	1 494	1 099	1 183	1 411	1 026	1 104
Q2	1 547	1 524	1 117	1 195	1 432	1 041	1 115
Q3	1 601	1 576	1 157	1 207	1 459	1 065	1 111
Q4	1 626	1 606	1 194	1 252	1 459	1 086	1 138
1988 Q1	1 673	1 652	1 229	1 288	1 488	1 105	1 158
Q2	1 715	1 685	1 247	1 306	1 490	1 104	1 156
Q3	1 755	1 728	1 292	1 333	1 491	1 128	1 164
Q4	1 792	1 764	1 332	1 389	1 500	1 147	1 197

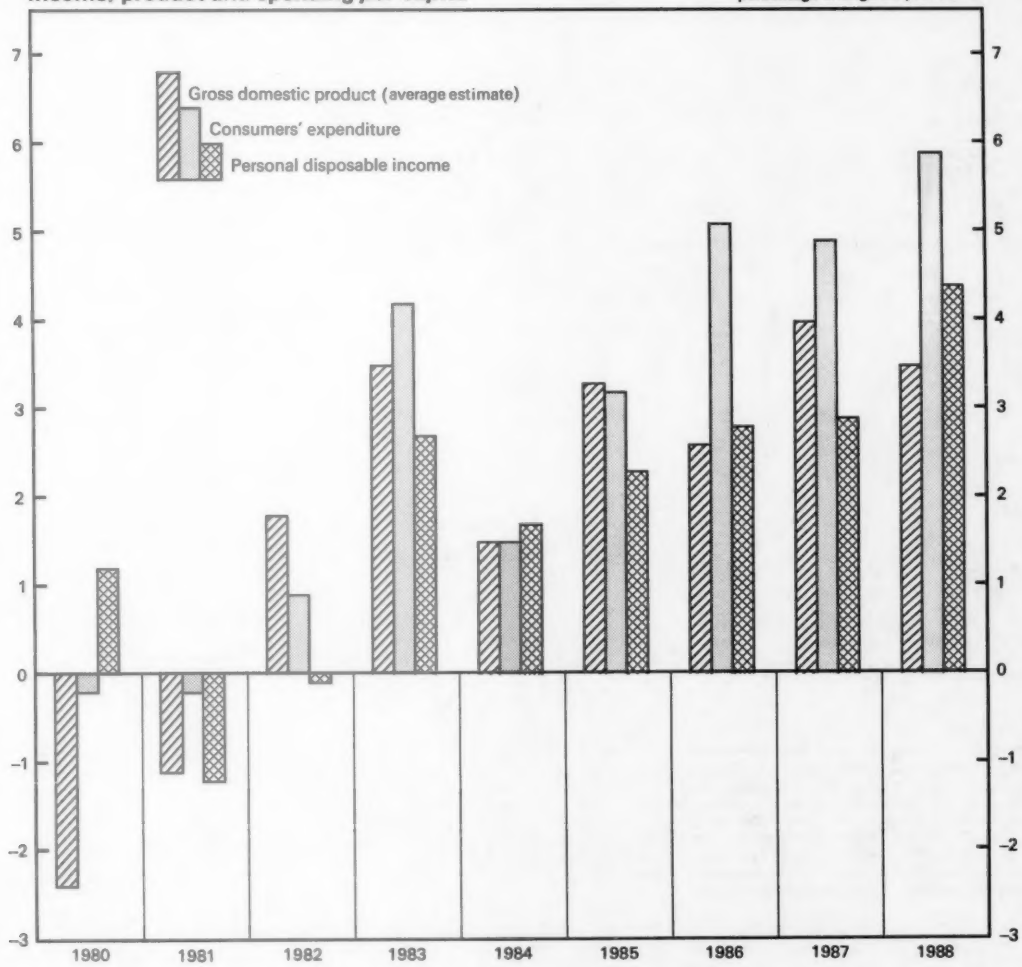
Source: Central Statistical Office

Shares of income and expenditure



Income, product and spending *per capita*

1985 prices
percentage change on year earlier



9 Gross domestic fixed capital formation

£ million, 1985 prices

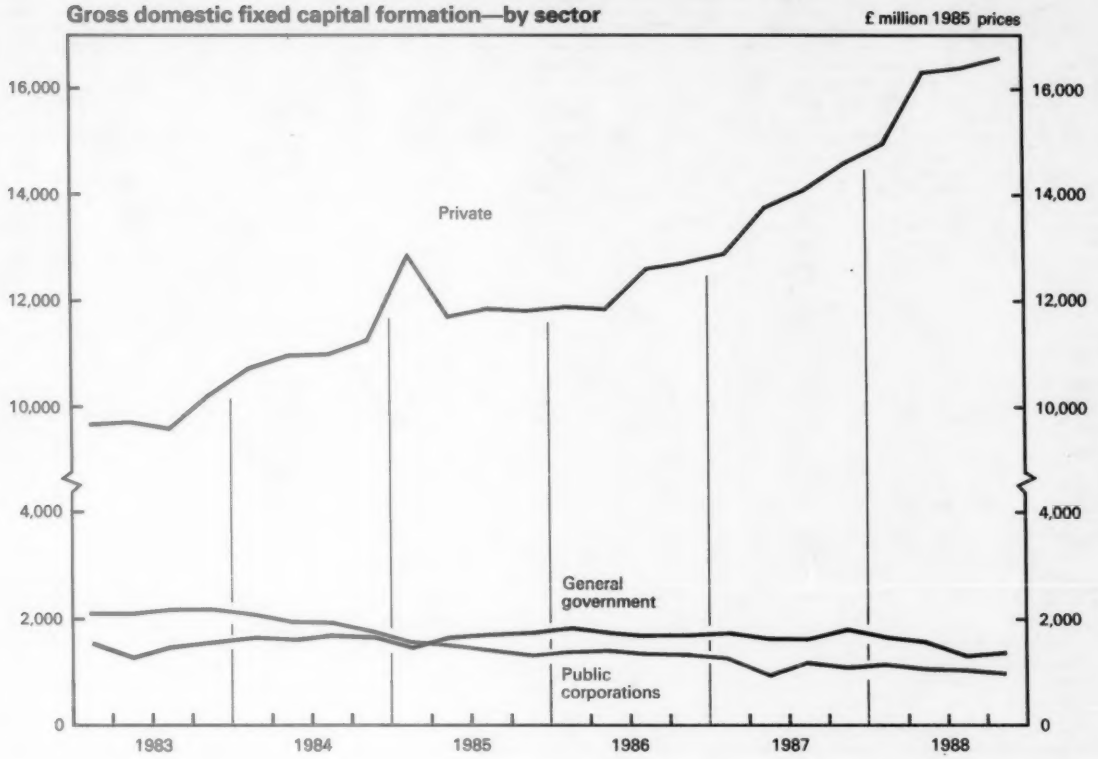
	Analysed by sector[1,2]			Analysed by type of asset[1]						
				Dwellings						
	Private sector	General government	Public corporations	Private	Public	Total	Other new building and works[3]	Vehicles, ships and aircraft	Plant and machinery	Total gross domestic fixed capital formation[1]
	DFEB	DFED	DFDA	DFEA	DFEC	DFEG	DFCV	DEBP	DEBO	DECU
1980	38 577	6 290	8 491	9 134	3 198	12 379	15 334	6 296	19 660	53 416
1981	35 990	4 632	7 775	8 149	2 155	10 247	14 859	4 895	18 269	48 298
1982	38 892	4 313	7 906	8 680	2 282	10 899	16 378	5 028	18 478	50 915
1983	39 085	5 901	8 490	9 323	2 924	12 247	16 651	5 177	19 401	53 476
1984	43 845	6 605	7 625	9 746	2 825	12 571	18 135	6 107	21 262	58 075
1985	48 043	6 584	5 656	9 392	2 536	11 928	18 178	6 433	23 744	60 283
1986	48 947	6 952	5 394	10 187	2 622	12 809	18 367	5 715	24 102	61 293
1987	55 190	6 792	4 391	10 819	2 667	13 486	19 246	6 157	25 784	66 373
1988	64 023	5 975	4 221	12 030	2 697	14 727	20 554	6 373	27 865	74 219
1983 Q4	10 200	1 578	2 151	2 429	748	3 177	4 349	1 405	4 998	13 929
1984 Q1	10 679	1 631	2 096	2 653	725	3 378	4 478	1 539	5 011	14 406
Q2	10 912	1 603	1 889	2 467	700	3 167	4 606	1 362	5 269	14 404
Q3	10 976	1 704	1 890	2 373	722	3 095	4 479	1 553	5 443	14 570
Q4	11 278	1 667	1 750	2 253	678	2 931	4 572	1 653	5 539	14 695
1985 Q1	12 815	1 485	1 532	2 300	647	2 947	4 514	2 144	6 227	15 832
Q2	11 626	1 661	1 469	2 370	622	2 992	4 670	1 466	5 628	14 756
Q3	11 836	1 709	1 372	2 357	652	3 009	4 499	1 469	5 940	14 917
Q4	11 766	1 729	1 283	2 365	615	2 980	4 495	1 354	5 949	14 778
1986 Q1	11 870	1 784	1 390	2 233	703	2 936	4 527	1 451	6 055	15 044
Q2	11 839	1 760	1 358	2 499	620	3 119	4 475	1 410	5 878	14 957
Q3	12 556	1 698	1 339	2 669	621	3 290	4 692	1 422	6 114	15 593
Q4	12 682	1 710	1 307	2 786	678	3 464	4 673	1 432	6 055	15 699
1987 Q1	12 851	1 752	1 240	2 704	682	3 386	4 724	1 395	6 088	15 843
Q2	13 731	1 637	917	2 622	663	3 285	4 589	1 567	6 494	16 285
Q3	14 042	1 632	1 160	2 893	631	3 524	4 762	1 595	6 453	16 834
Q4	14 566	1 771	1 074	2 600	691	3 291	5 171	1 600	6 749	17 411
1988 Q1	14 906	1 691	1 128	2 730	628	3 358	5 244	1 507	6 816	17 725
Q2	16 265	1 588	1 070	3 291	671	3 962	5 225	1 681	7 055	18 923
Q3	16 336	1 303	1 035	3 068	689	3 777	4 984	1 709	7 004	18 674
Q4	16 516	1 393	988	2 921	709	3 630	5 101	1 476	6 990	18 897
Percentage change, quarter on corresponding quarter of previous year										
1983 Q4	*3.3*	*27.8*	*3.6*	*9.4*	*12.7*	*10.4*	*2.3*	*11.1*	*6.7*	*6.2*
1984 Q1	*10.8*	*5.4*	*-0.7*	*14.7*	*-8.3*	*8.8*	*7.4*	*23.4*	*4.9*	*8.3*
Q2	*12.7*	*23.8*	*-9.7*	*8.2*	*5.7*	*7.7*	*13.9*	*6.0*	*9.7*	*10.2*
Q3	*14.8*	*15.1*	*-11.6*	*3.1*	*-0.1*	*2.3*	*9.5*	*25.2*	*12.8*	*10.6*
Q4	*10.6*	*5.6*	*-18.6*	*-7.2*	*-9.4*	*-7.7*	*5.1*	*17.7*	*10.8*	*5.5*
1985 Q1	*20.0*	*-9.0*	*-26.9*	*-13.3*	*-10.8*	*-12.8*	*0.8*	*39.3*	*24.3*	*9.9*
Q2	*6.5*	*3.6*	*-22.2*	*-3.9*	*-11.1*	*-5.5*	*1.4*	*7.6*	*6.8*	*2.4*
Q3	*7.8*	*0.3*	*-27.4*	*-0.7*	*-9.7*	*-2.8*	*0.4*	*-5.4*	*9.1*	*2.4*
Q4	*4.3*	*3.7*	*-26.7*	*5.0*	*-9.3*	*1.7*	*-1.7*	*-18.1*	*7.4*	*0.6*
1986 Q1	*-7.4*	*20.1*	*-9.3*	*-2.9*	*8.7*	*-0.4*	*0.3*	*-32.3*	*-2.8*	*-5.0*
Q2	*1.8*	*6.0*	*-7.6*	*5.4*	*-0.3*	*4.2*	*-4.2*	*-3.8*	*4.4*	*1.4*
Q3	*6.1*	*-0.6*	*-2.4*	*13.2*	*-4.8*	*9.3*	*4.3*	*-3.2*	*2.9*	*4.5*
Q4	*7.8*	*-1.1*	*1.9*	*17.8*	*10.2*	*16.2*	*4.0*	*5.8*	*1.8*	*6.2*
1987 Q1	*8.3*	*-1.8*	*-10.8*	*21.1*	*-3.0*	*15.3*	*4.4*	*-3.9*	*0.5*	*5.3*
Q2	*16.0*	*-7.0*	*-32.5*	*4.9*	*6.9*	*5.3*	*2.5*	*11.1*	*10.5*	*8.9*
Q3	*11.8*	*-3.9*	*-13.4*	*8.4*	*1.6*	*7.1*	*1.5*	*12.2*	*5.5*	*8.0*
Q4	*14.9*	*3.6*	*-17.8*	*-6.7*	*1.9*	*-5.0*	*10.7*	*11.7*	*11.5*	*10.9*
1988 Q1	*16.0*	*-3.5*	*-9.0*	*1.0*	*-7.9*	*-0.8*	*11.0*	*8.0*	*12.0*	*11.9*
Q2	*18.5*	*-3.0*	*16.7*	*25.5*	*1.2*	*20.6*	*13.9*	*7.3*	*8.6*	*16.2*
Q3	*16.3*	*-20.2*	*-10.8*	*6.7*	*9.2*	*7.2*	*4.7*	*7.1*	*8.5*	*10.9*
Q4	*13.4*	*-21.3*	*-8.0*	*12.3*	*2.6*	*10.3*	*-1.4*	*-7.7*	*3.6*	*8.5*

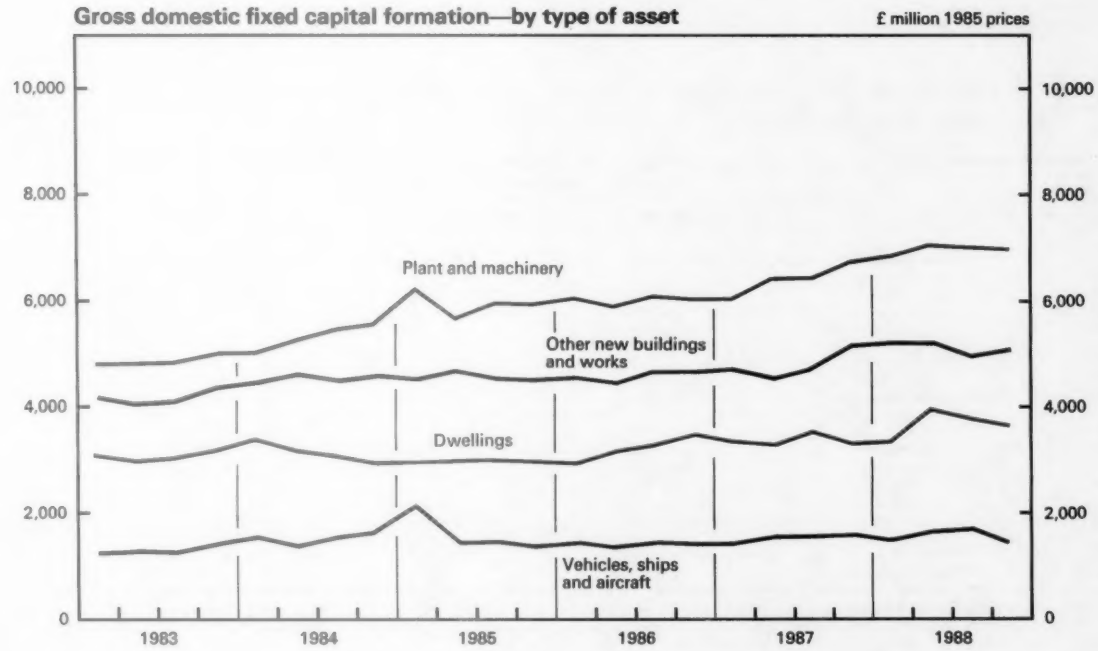
1 The latest figures issued by CSO include special adjustments to fixed investment estimates for 1986 to 1988 to bring them closer to the final figures expected when full information is available. They are based on preliminary results from DTI enquiries for 1987; a modified adjustment in the deflation process allowing for divergences between import and domestic prices; and a special study of the apparent shortfall of fixed investment estimates compared with the production and trade data for capital goods. The adjustments amount, at constant 1985 prices, to £300 million in 1986, £1,700 million in 1987 and £4,700 million in 1988. The adjustments are included in the total fixed capital formation series and have been broadly apportioned between sectors and included in the sector totals. No breakdown of the adjustment by industry or by type of asset is available.

2 Including purchases *less* sales of land and existing buildings.

3 Including transfer costs of land and buildings.

Source: Central Statistical Office


Gross domestic fixed capital formation—by sector
£ million 1985 prices
16,000
14,000
12,000
10,000
4,000
2,000
0
Private
General government
Public corporations
1983
1984
1985
1986
1987
1988


Gross domestic fixed capital formation—by type of asset
£ million 1985 prices
10,000
8,000
6,000
4,000
2,000
0
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1983
1984
1985
1986
1987
1988

10 Indicators of fixed investment by manufacturing industry

	Gross fixed investment by manufacturing industry (excluding leased assets)							New orders received by contractors for private industrial work(GB) (£ million, 1985 prices)
	Plant and machinery			New building and works				
	Gross fixed investment		CBI Intentions Inquiry: balance[2] (NSA)	Gross fixed investment		CBI Intentions Inquiry: balance[2] (NSA)	Total+ (£ million, 1985 prices)[1]	
	Total (£ million, 1985 prices)[1]	Change on year earlier (percentage)[1]		Total (£ million, 1985 prices)[1]	Change on year earlier (percentage)[1]			
	DFQP		FBAD	DFQQ		FBAG	DECV	DPBT
1980	6 885	*-10.7*	..	1 143	*-19.3*	..	8 761	1 923
1981	5 165	*-25.0*	..	834	*-27.0*	..	6 579	1 718
1982	5 062	*-2.0*	..	714	*-14.4*	..	6 360	1 455
1983	5 196	*2.6*	..	634	*-11.2*	..	6 422	1 723
1984	6 232	*19.9*	..	929	*46.5*	..	7 810	2 426
1985	7 029	*12.8*	..	1 110	*19.5*	..	8 735	2 149
1986	6 911	*-1.7*	..	1 006	*-9.4*	..	8 478	2 088
1987	7 293	*5.5*	..	1 216	*20.9*	..	9 095	3 463[3]
1988	8 145	*11.7*	..	1 204	*-1.0*	..	9 970	2 654
1985 Q2	1 736	*15.0*	*14*	299	*31.1*	*-3*	2 177	654
Q3	1 756	*11.4*	*-*	256	*12.3*	*-21*	2 161	484
Q4	1 800	*7.1*	*4*	254	*-5.2*	*-21*	2 205	486
1986 Q1	1 807	*4.0*	*2*	227	*-24.6*	*-16*	2 178	492
Q2	1 653	*-4.8*	*10*	204	*-31.8*	*-15*	2 001	506
Q3	1 762	*0.3*	*5*	270	*5.5*	*-15*	2 181	593
Q4	1 689	*-6.2*	*8*	305	*20.1*	*-13*	2 118	497
1987 Q1	1 657	*-8.3*	*10*	272	*19.8*	*-10*	2 076	637
Q2	1 823	*10.3*	*13*	335	*64.2*	*-3*	2 302	578
Q3	1 879	*6.6*	*20*	313	*15.9*	*1*	2 336	1 722[3]
Q4	1 934	*14.5*	*17*	296	*-3.0*	*-3*	2 381	526
1988 Q1	1 938	*17.0*	*20*	293	*7.7*	*1*	2 385	664
Q2	2 101	*15.2*	*32*	303	*-9.6*	*6*	2 558	626
Q3	2 062	*9.7*	*19*	307	*-1.9*	*-6*	2 521	631
Q4	2 044	*5.7*	*21*	301	*1.7*	*-4*	2 506	733
1989 Q1	..	..	*21*	..	..	*-9*	..	..
Q2	..	..	*18*	..	..	*-1*	..	..

1 See footnote 1 for Table 9 on page 18.
2 Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.
3 Includes the Channel Tunnel project.

Sources: Department of Trade and Industry; Central Statistical Office; Confederation of British Industry; Department of the Environment

11 Department of Trade and Industry inquiry into investment intentions: manufacturing industry[1]

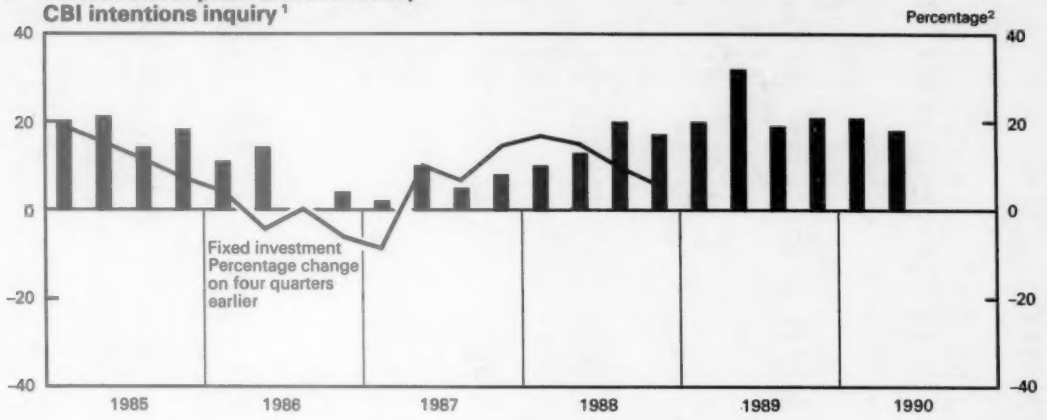
Percentage change over previous year, in volume terms

	Gross fixed investment (excluding leased assets)				
	First December forecast	First June forecast	Second December forecast	Second June forecast	Actual
1976	Further reduction	Little change	-5 to -8	About -6	-5
1977	Large increase	Of order of +15	+10 to +15	+6 to + 10	+5
1978	Strong increase	+20 or more	+10 to +13	+10 to +13	+7
1979	Rise, less than +8	Rise, less than +8	+4 to +8	+2 to +5	+4
1980	Slight fall	Slight fall	-6 to -10	-8 to -12	-14
1981	Further fall	Fall of up to 8 to 12	-15 to -20	-15 to -18	-25
1982	Some recovery	Some recovery	-1 to -3	-3 to -5	-3
1983	Appreciable increase	Rise, around 5	Fall, up to 5	Fall, around 4	+2
1984	No recovery	Slow growth	Rise, around 10	About +12	+20
1985	Little change	Rise, around 6	About +7	Around +9	+12
1986	Slight fall	Slight fall	Rise, around 4	About +6	-2
1987	Little change	Small increase	Rise, around 3	About +6	+8
1988	Further rise	Further increase	Rise, around 12	Rise, around 15	+15
1989	Smaller increase	Smaller increase	Rise, around 11		
1990	Smaller increase				

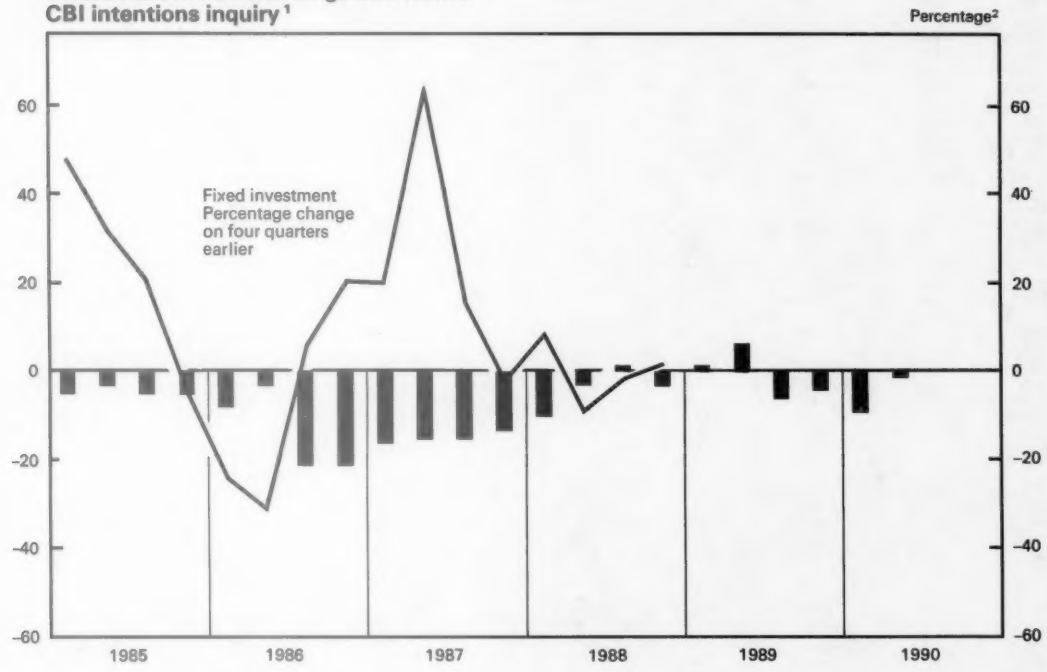
1 The figures in this table relate to manufacturing industry defined as Orders III to XIX, Standard Industrial Classification (1968) for 1983 and earlier years, and as Divisions 2 to 4, Standard Industrial Classification (1980) for 1984 onwards.

Source: Department of Trade and Industry

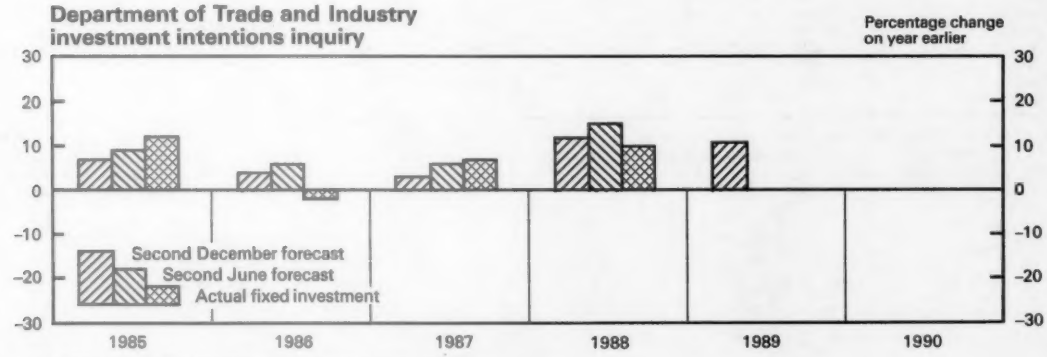
Investment in plant and machinery
CBI intentions inquiry [1]



Investment in new buildings and works
CBI intentions inquiry [1]



Department of Trade and Industry
investment intentions inquiry



[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage change in fixed investment

[2]Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less

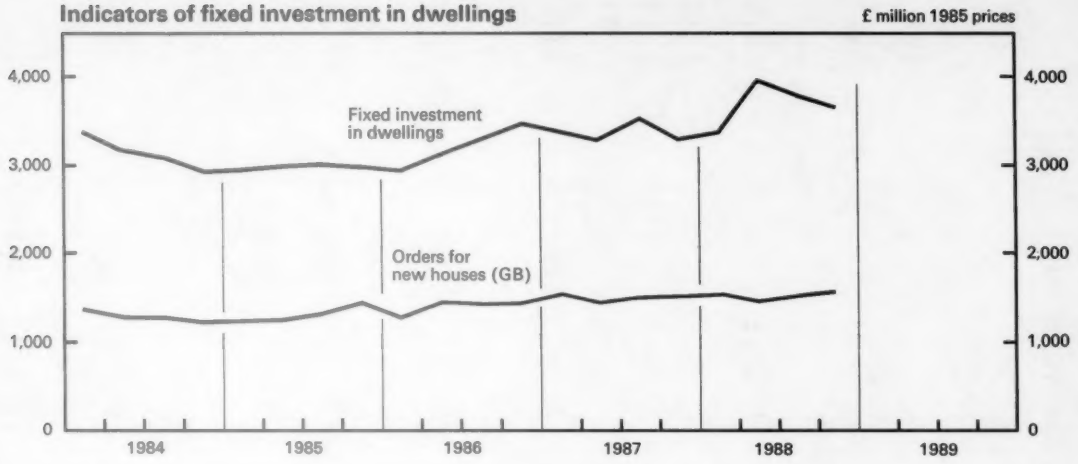
12 Indicators of fixed investment in dwellings

	Fixed investment in dwellings (£ million, 1985 prices)	Orders received by contractors for new houses (GB) (£ million, 1985 prices)	Housing starts (GB)+		Housing completions (GB)+		Building societies		Average price of new dwellings: mortgages approved[1] (NSA)
			Private sector (thousands)	Public sector (thousands)	Private sector (thousands)	Public sector (thousands)	Commitments on new dwellings (£ million, current prices)	Advances on new dwellings (£ million, current prices)	
	DFEG	FCAS	FCAT	FCAU	FCAV	FCAW	AHLO	AHLS	FCAY
1982	10 899	4 762	140.8	52.9	124.8	50.2	1 931	1 716	28 508
1983	12 247	4 686	171.1	48.8	146.1	50.9	2 419	2 330	31 678
1984	12 571	4 293	156.9	39.9	157.2	50.7	2 980	2 900	34 160
1985	11 928	5 290	162.8	34.2	152.1	40.0	2 963	2 900	37 304
1986	12 809	5 642	176.1	33.0	163.0	34.8	3 626	3 517	43 647
1987	13 486	6 010	191.3	31.7	170.7	32.1	3 702	3 488	51 290
1988	14 727	6 143	213.3†	28.9†	181.1	30.3†	4 831	4 696	64 615
1983 Q4	3 177	1 412	42.8	12.0	38.3	13.1	679	622	32 096
1984 Q1	3 378	1 389	40.7	12.4	40.0	12.5	732	684	33 086
Q2	3 167	1 298	39.7	10.2	37.6	13.1	814	725	34 345
Q3	3 095	1 299	38.6	9.3	40.5	12.8	707	763	34 906
Q4	2 931	1 219	37.9	8.0	39.1	12.3	727	728	34 338
1985 Q1	2 947	1 233	37.3	8.5	37.9	11.3	713	709	35 658
Q2	2 992	1 270	40.8	8.5	39.0	10.5	680	715	36 556
Q3	3 009	1 347	41.3	8.4	36.9	9.4	740	700	37 625
Q4	2 980	1 439	43.4	8.8	38.3	8.8	830	776	39 458
1986 Q1	2 936	1 290	41.2	8.1	38.5	9.0	815	802	40 470
Q2	3 119	1 460	43.7	7.9	40.1	9.1	1 007	868	43 443
Q3	3 290	1 441	46.7	8.8	41.3	8.1	975	929	45 065
Q4	3 464	1 450	44.5	8.2	43.1	8.6	829	918	45 749
1987 Q1	3 386	1 537	47.6	8.1	42.5	7.6	813	832	47 460
Q2	3 285	1 448	45.5	8.3	42.8	8.4	882	837	49 604
Q3	3 524	1 501	48.1	7.6	43.1	8.2	974	886	52 428
Q4	3 291	1 525	50.1	7.7	42.3	7.9	1 033	933	55 474
1988 Q1	3 358	1 557	54.8	7.4	47.6	7.8	1 257	1 113	60 395
Q2	3 962	1 472	53.0	6.9	44.5	7.8	1 338	1 180	63 342
Q3	3 777	1 523	50.0	7.4	46.3	7.8	1 236	1 279	67 425
Q4	3 630	1 592	55.5†	7.2†	42.7	6.9†	1 000	1 124	69 342
1989 Q1	..	..	50.2	7.4	45.8†	7.2	977†	1 081†	..
1987 Jun	..	475	14.3	2.8	14.1	2.8	302	279	49 797
Jul	..	546	15.3	2.4	14.4	2.9	330	288	51 786
Aug	..	474	16.2	2.5	14.6	2.5	324	296	52 898
Sep	..	481	16.6	2.7	14.1	2.8	320	302	52 635
Oct	..	482	14.7	2.5	14.2	2.7	339	313	54 594
Nov	..	490	16.9	2.7	14.1	2.7	348	307	55 225
Dec	..	553	18.5	2.5	14.0	2.5	346	313	56 806
1988 Jan	..	577	21.7†	2.6†	17.7†	2.4†	381	348	56 918
Feb	..	552	17.1	2.9	15.5	2.8	425	375	59 064
Mar	..	428	16.5	1.8	14.7	2.9	451	390	63 688
Apr	..	525	18.4	2.4	15.1	2.7	433	382	62 304
May	..	460	17.3	2.3	15.0	2.6	436	396	63 060
Jun	..	487	16.9	2.4	14.2	2.3	469	402	64 578
Jul	..	473	16.7	2.4	17.2	2.6	512	438	66 577
Aug	..	553	17.1	2.9	15.1	2.7	374	441	66 326
Sep	..	497	16.1	2.0	14.1	2.4	350	400	69 915
Oct	..	500	17.1	2.3	14.4	2.3	349	387	67 488
Nov	..	550	18.9	2.4	13.7	2.2	336	368	69 956
Dec	..	541	19.5	2.5	14.6	2.4	313	369	71 153
1989 Jan	..	594	21.0	3.0	17.3	2.4	312	404	68 808
Feb	..	431	17.5	2.5	14.8	3.0	338	361†	71 096
Mar	..	..	11.7	1.9	13.7	1.8	327†	316	74 314
Apr	..	..	..	..	..	..	..	..	74 761†

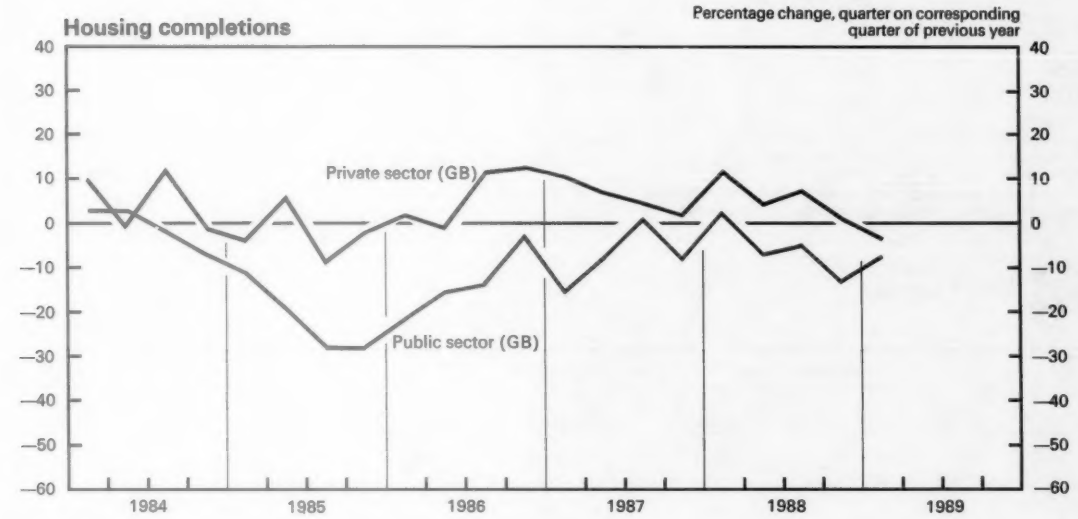
1 Mortgages with building societies by private owners. The series covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.

Sources: Central Statistical Office; Department of the Environment; Scottish Development Department; Building Societies Association

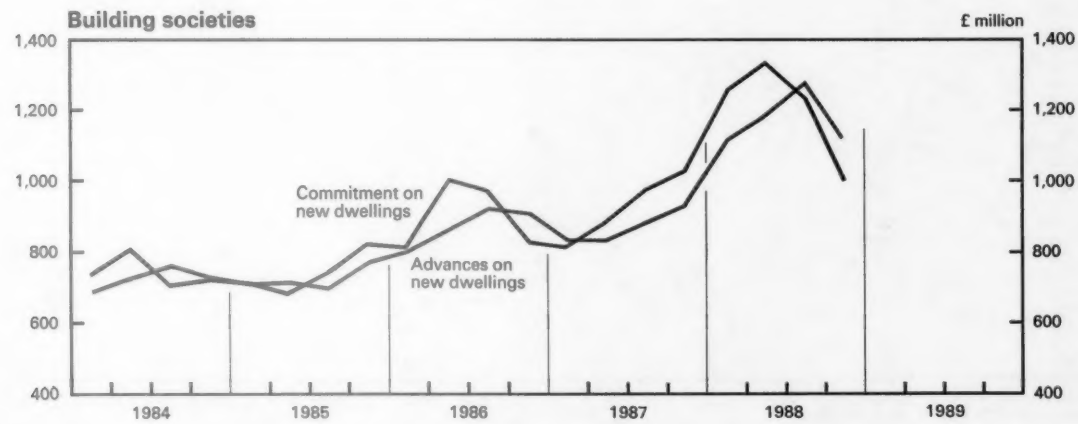
Indicators of fixed investment in dwellings



Housing completions



Building societies



13 Stock changes

£ million, 1985 prices

	Manufacturing				Distribution			
	Energy and water supply	Materials and fuels	Work in progress	Finished goods	Total	Wholesale[1]	Retail[2]	Other industries	All industries
Value of stocks and work in progress end-December 1987[3]	5 992	12 871	15 900	12 602	41 373	14 152	11 262	19 798	92 577
	DHBQ	DGAX	DGAY	DGAW	DHBM	DHBO	DHBN	DHBR	DGBA
1983 Q4	-110	133	63	115	311	-85	49	119	284
1984 Q1	-260	-16	177	217	378	-48	201	70	341
Q2	-330	64	170	-228	6	-18	34	124	-184
Q3	-235	179	-	136	315	75	-142	76	89
Q4	-160	96	34	229	359	27	398	202	826
1985 Q1	-76	43	-298	73	-181	-66	-61	190	-194
Q2	-122	21	14	210	244	152	126	203	603
Q3	-25	193	-7	-59	127	-137	129	224	318
Q4	209	-118	-376	-139	-633	-34	51	249	-158
1986 Q1	4	-22	-146	-82	-250	318	175	136	383
Q2	-243	110	60	50	220	-90	183	148	218
Q3	-95	-57	-55	-52	-164	-289	115	-9	-442
Q4	121	-137	18	-90	-209	326	258	34	530
1987 Q1	-95	-19	-92	-92	-203	96	75	3	-124
Q2	-55	-18	-40	-120	-177	69	243	77	157
Q3	25	112	296	1	410	215	357	126	1 133
Q4	4	-31	-389	25	-375	101	54	-34	-250
1988 Q1	-94	15	30	10	54	-117	66	131	40
Q2	-101	72	125	201	398	119	149	42	607
Q3	-56	-118	-47	-64	-230	85	43	-107	-265
Q4	112	22	256	184	464	149	437	401	1 563

,1 Classes 61-63 excluding activity heading 6148; wholesale distribution of motor vehicles and parts.
2 Classes 64-65 excluding activity headings 6510 and 6520; retail distribution of motor vehicles and parts, and filling stations.
3 Stock levels at 1985 prices, not seasonally adjusted.

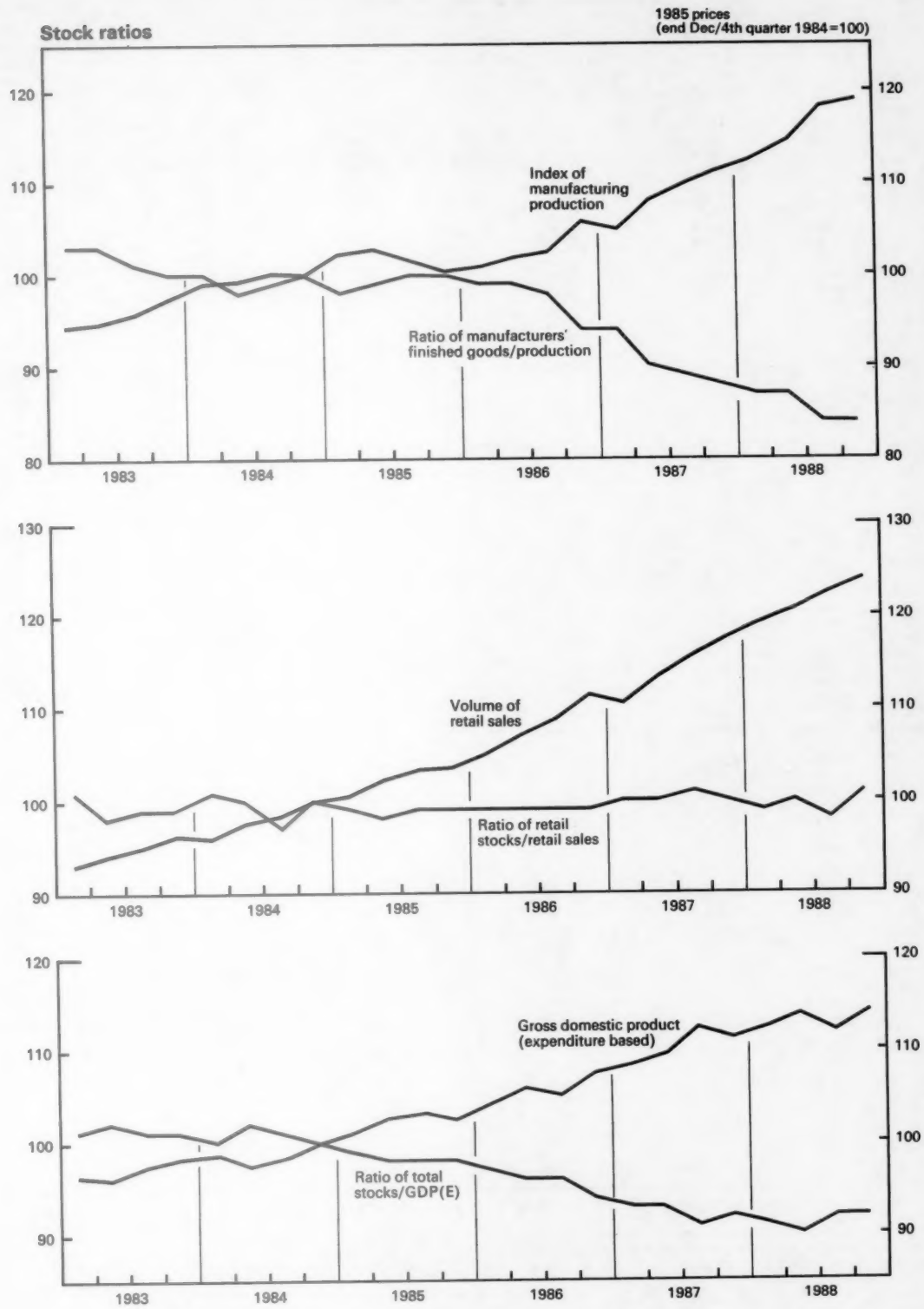
Source: Central Statistical Office

14 Stock ratios

	Manufacturers' stocks[1] to manufacturing production				Retail stocks[1] to retail sales[2,3]	Total stocks[1] to gross domestic product (expenditure-based)[2]
	Materials and fuel	Work in progress	Finished goods	Total stocks		
	FDCC	FDCD	FDCE	FDCB	FDCF	FDCA
1983 Q4	100	100	100	100	99	101
1984 Q1	99	100	100	100	101	100
Q2	99	101	98	99	100	102
Q3	100	100	99	100	97	101
Q4	100	100	100	100	100	100
1985 Q1	98	96	98	97	99	99
Q2	98	96	99	97	98	98
Q3	100	97	100	99	99	98
Q4	101	96	100	99	99	98
1986 Q1	100	94	99	98	99	97
Q2	100	94	99	97	99	96
Q3	99	93	98	96	99	96
Q4	95	90	94	93	99	94
1987 Q1	96	90	94	93	100	93
Q2	93	88	90	90	100	93
Q3	92	88	89	89	101	91
Q4	90	85	88	87	100	92
1988 Q1	89	84	87	86	99	91
Q2	89	83	87	86	100	90
Q3	85	80	84	83	98	92
Q4	84	81	84	83	101	92

1 Measured at 1985 prices; end-December 1984=100.
2 Measured at 1985 prices; 4th quarter 1984=100.
3 Classes 64-65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.

Source: Central Statistical Office


Stock ratios
1985 prices
(end Dec/4th quarter 1984=100)
Index of manufacturing production
Ratio of manufacturers' finished goods/production
Volume of retail sales
Ratio of retail stocks/retail sales
Gross domestic product (expenditure based)
Ratio of total stocks/GDP(E)
1983
1984
1985
1986
1987
1988

15 Inland energy consumption

Annual rates, temperature corrected

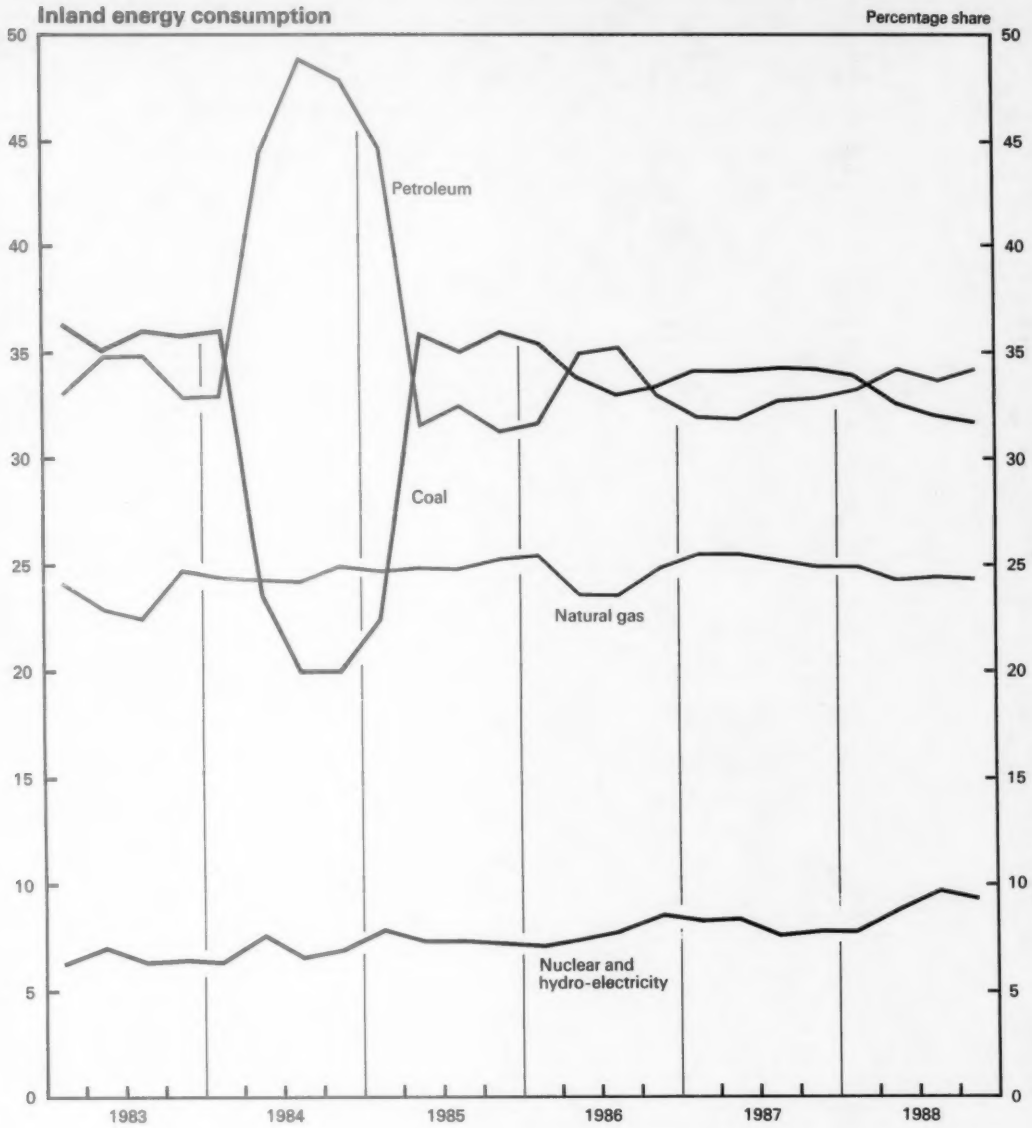
	Primary fuel input (million tonnes of coal or coal equivalent)							Public supply: electricity available (GB)[3] (billion kilowatt hours)
				Primary electricity (not temperature corrected)				
	Coal[1]	Petroleum	Natural gas (excl. flared or re-injected)	Nuclear	Hydro[2] (NSA)	Net imports (NSA)	Total	
	FDAI	FDAJ	FDAK	FDAL	FDAM	FDAW	FDAH	FDAN
1979	127.2	137.0	69.1	13.8	2.2	-	349.3	255.0
1980	120.1	121.2	70.5	13.4	2.0	-	327.2	245.9
1981	117.5	110.2	71.6	13.7	2.3	-	315.3	239.2
1982	109.6	110.8	72.9	16.0	2.4	-	311.7	236.2
1983	111.6	105.9	75.6	18.1	2.4	-	313.6	242.3
1984	78.5	134.7	77.3	19.5	2.1	-	312.1	246.0
1985	103.6	113.2	81.2	22.1	2.1	-	322.3	255.8
1986	110.6	110.6	81.6	21.3	2.4	1.7	328.3	261.3
1987	114.3	106.0	84.4	19.8	2.1	4.8†	333.3	269.9
1988	111.5†	116.0†	83.7†	22.9	2.5	5.2	341.7†	..
1983 Q3	117.2	112.6	72.6	18.9	1.7	-	323.0	248.4
Q4	111.4	101.7	76.8	17.8	2.2	-	309.9	242.8
1984 Q1	111.4	103.1	76.6	17.5	2.4	-	310.9	242.3
Q2	70.0	136.5	74.7	21.6	2.0	-	304.7	244.3
Q3	60.9	152.8	76.0	19.5	1.4	-	310.7	250.3
Q4	61.1	149.8	78.6	20.1	2.0	-	311.5	247.2
1985 Q1	70.8	143.0	79.4	23.3	2.1	-	318.5	249.8
Q2	116.8	103.1	81.5	22.3	2.0	-	325.7	258.4
Q3	116.1	106.6	80.9	22.3	2.1	-	329.0	260.2
Q4	116.3	100.0	80.9	21.0	2.2	-	320.3	254.9
1986 Q1	115.4	103.0	83.3	21.0	2.2	0.2	324.9	258.3
Q2	112.3	116.9	79.0	21.2	2.2	1.6	333.3	265.3
Q3	108.7	116.6	78.0	21.8	2.4	1.3	328.1	260.4
Q4	109.3	107.8	81.7	21.6	2.3	3.9	326.6	261.0
1987 Q1	111.3†	102.8†	83.4†	21.4†	2.3	3.7	324.8†	263.9
Q2	114.7	108.0	84.6	20.0	2.2	5.4	334.9	269.4
Q3	115.5	111.3	84.3	18.9	2.2	4.7	336.8	272.7
Q4	115.1	110.4	84.9	18.9	2.1†	5.2	337.1	273.7
1988 Q1	116.1	112.3	84.6	19.4	2.3	5.1	339.8	266.8
Q2	110.2	117.2	80.3	21.4	2.3	5.6	337.0	272.7
Q3	108.5	115.1	82.6	25.3	2.4	5.7	339.6	..
Q4	111.2	120.0	85.5	26.0	2.5	4.5	350.8	..
Percentage change, quarter on corresponding quarter of previous year								
	FDAP	FDAQ	FDAR	FDAS	FDAT	FDAX	FDAO	FDAU
1983 Q3	*5.5*	*-1.0*	*1.0*	*0.6*	*-18.7*	-	*1.3*	*2.0*
Q4	*3.5*	*-3.2*	*2.6*	*2.8*	*-13.4*	-	*0.7*	*2.8*
1984 Q1	*-0.8*	-	*1.7*	*4.3*	*-15.8*	-	*0.2*	*2.5*
Q2	*-35.7*	*25.9*	*5.0*	*10.9*	*-25.8*	-	*-1.8*	*1.1*
Q3	*-48.0*	*35.8*	*4.7*	*2.8*	*-15.6*	-	*-3.8*	*0.8*
Q4	*-45.2*	*47.3*	*2.3*	*12.6*	*-9.6*	-	*0.5*	*1.8*
1985 Q1	*-36.4*	*38.7*	*3.6*	*33.3*	*-12.0*	-	*2.4*	*3.1*
Q2	*66.9*	*-24.4*	*9.1*	*3.6*	*-15.9*	-	*6.8*	*5.8*
Q3	*90.7*	*-30.3*	*6.4*	*14.2*	*-6.8*	-	*5.6*	*4.0*
Q4	*90.5*	*-33.3*	*2.9*	*4.7*	*5.8*	-	*2.8*	*3.1*
1986 Q1	*62.9*	*-28.0*	*4.9*	*-10.0*	*6.8*	+	*2.0*	*3.4*
Q2	*-3.8*	*13.4*	*-3.1*	*-5.2*	*14.4*	+	*2.3*	*2.6*
Q3	*-6.4*	*9.4*	*-3.6*	*-1.9*	*14.8*	+	*-0.3*	*0.1*
Q4	*-8.1*	*7.8*	*1.1*	*2.5*	*6.0*	+	*2.0*	*2.4*
1987 Q1	*-3.5*†	*-0.2*†	*0.1*†	*1.9*†	*2.7*	+	*-*†	*2.2*
Q2	*2.1*	*-7.6*	*7.1*	*-5.6*	*-0.2*	+	*0.5*	*1.6*
Q3	*6.2*	*-4.6*	*8.1*	*-13.6*	*-5.9*	+	*2.7*	*4.7*
Q4	*5.3*	*2.4*	*3.9*	*-12.7*	*-7.4*	*32.9*	*3.2*	*4.9*
1988 Q1	*4.2*	*-0.5*	*1.5*	*-9.1*	*0.4*	*40.3*	*4.6*	*1.1*
Q2	*-3.9*	*8.5*	*-5.1*	*6.9*	*4.1*	*3.7*	*0.6*	*1.2*
Q3	*-6.1*	*3.5*	*-2.1*	*34.1*	*6.4*	*23.2*	*0.8*	..
Q4	*-3.7*	*8.4*	*1.4*	*37.7*	*14.5*	*-12.3*	*3.9*	..

1 Annual data includes adjustment for net foreign trade and stock change in other solid fuels.

2 Quarterly data from Q1 1985 onwards are the estimated annual outturn. Comparisons with 1984 are based on corresponding estimated outturns in that year, not the data shown in the table.

3 The inclusion of Northern Ireland would add about 2 per cent to the total.

Source: Department of Energy


Inland energy consumption
Percentage share
50
45
40
35
30
25
20
15
10
5
0
Petroleum
Coal
Natural gas
Nuclear and
hydro-electricity
1983
1984
1985
1986
1987
1988

16 Index of output of the production industries

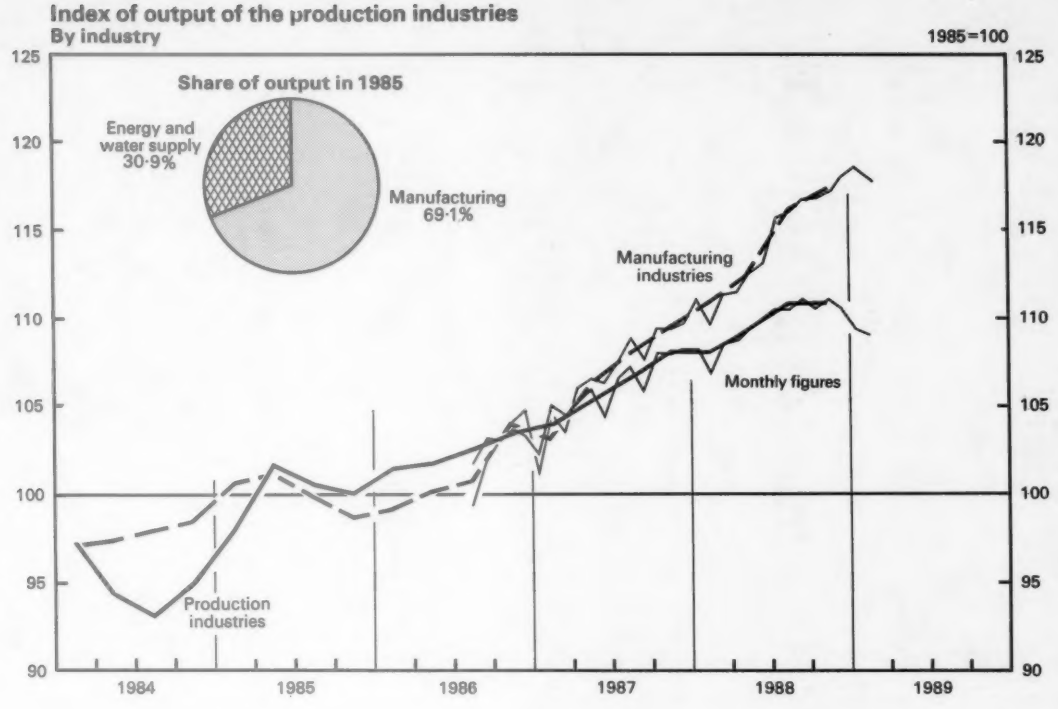
1985 = 100

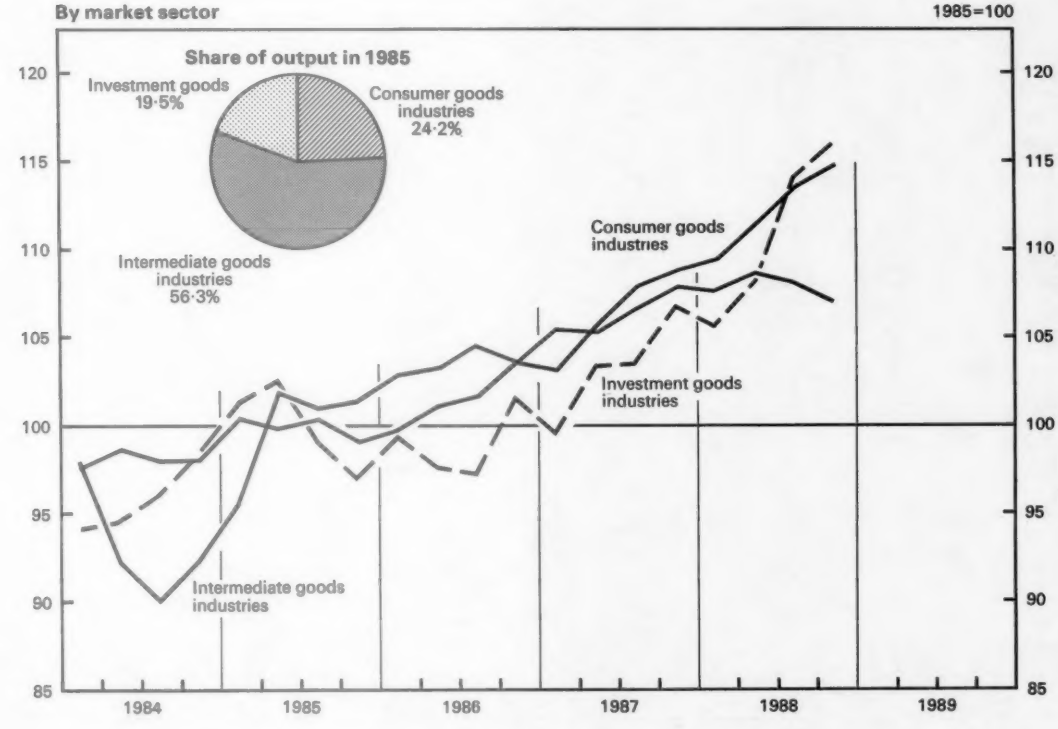
	Total production industries	Energy and water supply	Total manufacturing industries[1]	By market sector: Consumer goods industries	Investment goods industries	Intermediate goods industries
1985 weights	*1 000*	*309*	*691*	*242*	*195*	*563*
	DVIM	DVIN	DVIS	DVJP	DVJV	DVJZ
1982	91.3	91.6	91.1	92.4	91.3	90.4
1983	94.7	96.8	93.7	95.3	91.8	95.4
1984	94.9	88.8	97.6	98.1	95.8	93.2
1985	100.0	100.0	100.0	100.0	100.0	100.0
1986	102.2	105.0	101.0	101.6	99.0	103.5
1987	105.8	103.9	106.6	106.5	103.2†	106.3
1988	109.7†	99.6	114.2†	112.2†	111.6	107.9
1984 Q1	97.2	97.6	97.0	97.7	94.2	98.0
Q2	94.3	87.6	97.3	98.7	94.6	92.3
Q3	93.2	82.7	97.9	98.0	96.1	90.1
Q4	94.9	87.3	98.3	98.1	98.4	92.3
1985 Q1	97.9	92.0	100.5	100.5	101.3	95.6
Q2	101.6	102.7	101.1	99.9	102.6	101.9
Q3	100.5	102.1	99.8	100.4	99.1	101.0
Q4	100.0	103.2	98.6	99.1	97.0	101.4
1986 Q1	101.4	106.5	99.1	99.9	99.4	102.8
Q2	101.7	105.1	100.1	101.2	97.7	103.2
Q3	102.4	106.5	100.6	101.7	97.3	104.5
Q4	103.3	101.8	103.9	103.7	101.7	103.6
1987 Q1	103.8	105.5	103.0	103.3†	99.4†	105.5
Q2	105.1	102.4	106.2	105.9	103.4	105.3
Q3	106.4	103.1	107.9	108.1	103.5	106.7
Q4	107.8†	104.5	109.3†	108.8	106.4	107.9
1988 Q1	107.9	101.3	110.8	109.6	106.3	107.8†
Q2	109.4	102.4	112.6	111.5	108.9	108.7
Q3	110.7	98.6	116.0	113.7	114.3	108.1
Q4	110.7	96.0	117.3	114.2	116.8	107.1
1989 Q1	109.2	89.1†	118.1	115.2	116.2	104.2
1986 Oct	102.9	102.6	103.0	103.7	99.7	103.7
Nov	103.7	103.1	104.0	103.4	102.3	104.3
Dec	103.2	99.8	104.7	103.9	103.1	102.9
1987 Jan	102.2	104.7	101.0	102.6†	97.1†	103.8
Feb	104.9	105.5	104.6	103.6	101.7	106.5
Mar	104.3	106.3	103.4	103.7	99.5	106.2
Apr	105.1	103.0	106.0	105.9	103.1	105.5
May	105.8	104.5	106.4	106.3	103.7	106.4
Jun	104.2	99.7	106.2	105.5	103.2	104.0
Jul	106.4	104.3	107.3	107.7	102.0	107.3
Aug	107.1	103.3	108.9†	108.8	104.9	107.2
Sep	105.7	101.8	107.5	107.9	103.5	105.6
Oct	107.8†	104.5	109.3	108.8	105.6	108.2
Nov	107.7	104.4	109.2	108.5	105.2	108.1†
Dec	108.0	104.8	109.4	109.1	108.3	107.4
1988 Jan	108.3	101.7	111.2	110.2	103.9	109.0
Feb	106.8	100.3	109.8	108.4	105.5	106.6
Mar	108.6	102.0	111.6	110.1	109.5	107.7
Apr	108.7	102.3	111.6	110.0	107.9	108.5
May	109.4	102.0	112.7	112.7	107.1	108.8
Jun	110.1	102.8	113.3	111.9	111.9	108.7
Jul	110.5	99.1	115.6	113.6	113.0	108.3
Aug	110.5	98.2	115.9	113.1	114.3	108.1
Sep	111.0	98.6	116.5	114.3	115.5	108.0
Oct	110.5	96.7	116.7	113.4	116.1	107.4
Nov	111.2	97.4	117.3	114.7	117.1	107.6
Dec	110.5	93.9	117.9	114.3	117.2	106.5
1989 Jan	109.1	88.8†	118.1	114.8	116.2	104.2
Feb	108.9	89.0	117.8	114.9	116.0	103.9
Mar	109.6	89.5	118.5	115.8	116.5	104.5

1 The figures for manufacturing industries contain an adjustment for stock changes and for measurement bias - see Annual Supplement 1988 edition.

Source: Central Statistical Office

Index of output of the production industries





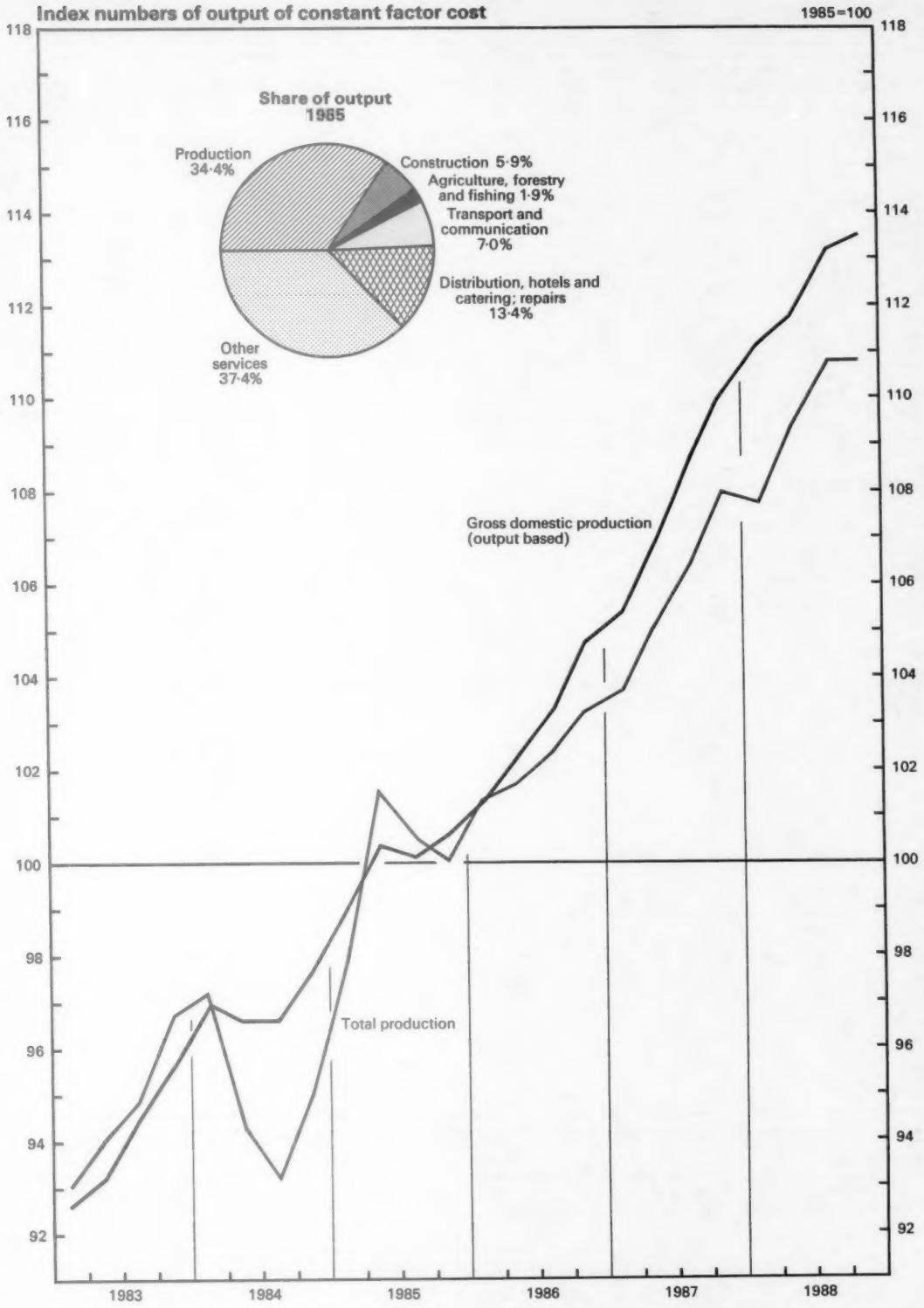
17 Index numbers of output at constant factor cost

1985 = 100

	Agriculture, forestry and fishing	Production industries[1]	Construction	Service industries: Distribution; hotels and catering; repairs	Service industries: Transport and communication	Service industries: Other services	Service industries: Total services	Gross domestic product
1985 weights	*19*	*344*	*59*	*134*	*70*	*374*	*578*	*1 000*
	CKAP	DVIM	DVJO	CKAQ	CKAR	CKAS	CKCE	DSAE
1980	85.2	92.5	88.7	87.7	91.0	89.4	89.2	90.2
1981	87.4	89.6	81.8	86.3	91.2	90.3	89.5	89.0
1982	94.7	91.3	88.3	87.9	90.3	91.9	90.8	90.9
1983	89.6	94.7	93.9	91.7	93.0	94.6	93.7	94.0
1984	105.6	94.9	98.4	95.8	96.8	98.6	97.7	97.0
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	99.1	102.2	100.8	104.0	104.5	103.4	103.7	102.9
1987	99.1	105.8	108.8	110.3	111.9	108.2	109.1	107.8
1988	100.3	109.7†	116.6	116.1	117.7	112.8	114.1	112.4
1983 Q2	87	94.0	91.3	91	93	94	93.2	93.2
Q3	88	94.9	95.3	92	93	95	94.2	94.5
Q4	93	96.7	96.5	93	95	96	95.1	95.8
1984 Q1	101	97.2	97.4	94	95	98	96.7	97.0
Q2	107	94.3	98.4	95	96	98	97.4	96.6
Q3	109	93.2	99.4	96	97	99	98.0	96.6
Q4	105	94.9	98.5	98	99	99	98.9	97.6
1985 Q1	102	97.9	100.5	99	100	99	99.3	98.9
Q2	100	101.6	100.0	100	100	100	99.7	100.4
Q3	99	100.5	98.6	100	100	100	100.1	100.1
Q4	99	100.0	100.9	101	101	101	100.9	100.6
1986 Q1	99	101.4	96.7	101	103	102	101.7	101.3
Q2	99	101.7	101.0	103	103	103	102.9	102.3
Q3	99	102.4	101.7	105	105	104	104.2	103.3
Q4	99	103.3	103.9	107	108	105	105.9	104.8
1987 Q1	99	103.7†	107.3	107	107	106	106.4	105.4
Q2	99	105.0	105.7	109	112	107	108.4	106.9
Q3	99	106.4	109.2	111	115	109	110.3	108.7
Q4	99	108.0	112.8	114	114	110	111.4	110.1
1988 Q1	100	107.7	118.5	115	117	111	112.9	111.2
Q2	100	109.3	115.9	114	117	112	113.3	111.8
Q3	100	110.8	114.4	117	119	114	115.1	113.2
Q4	101	110.8	117.4	118	119	114	115.3	113.5
1989 Q1	..	..	..	..	..	..	115.6†	113.3†
Percentage change, quarter on corresponding quarter of previous year								
1983 Q4	*-1*	*6.1*	*6*	*5*	*4*	*3*	*3.6*	*4.5*
1984 Q1	*13*	*4.5*	*5*	*4*	*5*	*2*	*2.9*	*4.7*
Q2	*24*	*0.3*	*8*	*5*	*4*	*2*	*3.1*	*3.6*
Q3	*24*	*-1.8*	*4*	*4*	*5*	*2*	*2.9*	*2.2*
Q4	*13*	*-1.9*	*2*	*5*	*5*	*2*	*3.0*	*2.1*
1985 Q1	-	*0.7*	*3*	*5*	*5*	*1*	*2.7*	*2.0*
Q2	*-7*	*7.7*	*1*	*5*	*4*	*1*	*2.4*	*3.9*
Q3	*-9*	*7.8*	*-1*	*4*	*3*	*1*	*2.1*	*3.6*
Q4	*-6*	*5.4*	*3*	*4*	*2*	*2*	*2.0*	*3.0*
1986 Q1	*-2*	*3.6*	*-4*	*3*	*3*	*2*	*2.4*	*2.3*
Q2	*-1*	*0.1*	*2*	*3*	*4*	*3*	*3.2*	*1.9*
Q3	-	*1.9*	*3*	*4*	*4*	*4*	*4.1*	*3.2*
Q4	-	*3.3*	*3*	*6*	*7*	*4*	*5.0*	*4.2*
1987 Q1	-	*2.3*	*11*	*5*	*4*	*5*	*4.7*	*4.1*
Q2	-	*3.2*	*5*	*6*	*8*	*5*	*5.3*	*4.5*
Q3	-	*3.9*	*7*	*6*	*10*	*5*	*5.9*	*5.2*
Q4	-	*4.5*	*9*	*7*	*6*	*5*	*5.2*	*5.1*
1988 Q1	*1*	*3.9*	*10*	*8*	*9*	*5*	*6.1*	*5.5*
Q2	*1*	*4.1*	*10*	*5*	*5*	*4*	*4.5*	*4.6*
Q3	*1*	*4.1*	*5*	*5*	*3*	*4*	*4.3*	*4.1*
Q4	*2*	*2.6*	*4*	*4*	*4*	*3*	*3.4*	*3.1*
1989 Q1	..	..	..	..	..	..	*2.4*	*1.9*

1 The latest data for the index of production are presented in Table 16. The figures given in this table are consistent with the figures for the output measure of gross domestic product.

Source: Central Statistical Office


Index numbers of output of constant factor cost
1985=100
Share of output
1985
Production
34·4%
Construction 5·9%
Agriculture, forestry
and fishing 1·9%
Transport and
communication
7·0%
Distribution, hotels and
catering; repairs
13·4%
Other
services
37·4%
Gross domestic production
(output based)
Total production
118
116
114
112
110
108
106
104
102
100
98
96
94
92
1983
1984
1985
1986
1987
1988

18 Engineering and construction: output and orders

Volume index numbers

	Engineering industries[1]							Construction (GB)	
	Home market		Export		Total				
	Orders on hand end of period (average 1985 = 100)	New orders[2] (1985 average monthly sales = 100)	Orders on hand end of period (average 1985 = 100)	New orders[2] (1985 average monthly sales = 100)	Sales[2] (1985 average monthly sales = 100)	Orders on hand end of period (average 1985 =100)	New orders[2] (1985 average monthly sales = 100)	Gross output[3] (1985 = 100)	Orders received (1985 = 100)
	FEAV	FEAN	FEAX	FEAP	FEAJ	DKCJ	FEAL	FEAQ	FEAZ
1984	104	100	95	98	93	100	100	98.9	102.9
1985	96	96	100	103	100	98	98	100.0	100.0
1986	97	100	97	99	100	97	99	103.3	108.2
1987	102	105	96	106	104	100	105	111.4	128.8[4]
1988	111†	116†	105†	128†	115	109†	120†	119.3	134.0
1985 Q1	103	99	98†	104	99	101	101	100.6	98.5
Q2	98	90	100	110	101	99	97	99.9	100.7
Q3	100	102	102	101	98	101	102	98.8	96.8
Q4	96	93†	100	95	101	97†	94	100.8	104.0
1986 Q1	95	98	98	95	100	96	97	98.7	104.1
Q2	96	101	95	91	98	96	98	103.3	106.8
Q3	96	97	93	92	98	95	96	104.4	114.2
Q4	97	102	97	117	102	97	107	106.6	107.6
1987 Q1	98†	100	100	110	99	99	103	110.0	115.9
Q2	97	98	98	102	102	98	99	108.4	117.5
Q3	98	107	97	102†	104	98	105	111.7	165.8[4]
Q4	102	115	96	109	109	100	113	115.5	116.0
1988 Q1	108	118	107	139	107	108	125†	121.2	138.7
Q2	110	113	105	116	112	108	114	118.9	125.7
Q3	112	119	104	125	120	109	121	117.0	130.2
Q4	111	114	105	132	120†	109	120	120.3	141.4
1989 Q1	112	111	114	140	113	113	121	..	..
1986 Oct	98	112	94	108†	99	97	111	..	108.3
Nov	97	90	94	110	104	96	97	..	109.2
Dec	97	103	97	134	104	97	113†	..	104.7
1987 Jan	98	96	101	123	94	99	105	..	123.9
Feb	98†	105	100	100	101	99	103	..	110.0
Mar	98	98	100	107	101	99	101	..	113.9
Apr	97	89	97†	87	103	97	89	..	112.5
May	97	100	98	109	103	97	103	..	129.8
Jun	97	103	98	110	102	98	105	..	110.1
Jul	97	102†	97	91	100	97	98	..	230.9[4]
Aug	98	109	98	109	106	98	109	..	143.9
Sep	98	110	97	105	106	98	108	..	122.6
Oct	99	109	97	110	107	98†	110	..	116.3
Nov	101	117	97	115	109	100	116	..	113.1
Dec	102	117	96	104	112	100	113	..	118.4
1988 Jan	108	138	105	180	103	107	152	..	135.0
Feb	107	98	106	112	105	106	103	..	144.3
Mar	108	116	107	126	113†	108	120	..	136.9
Apr	107	101	107	121	109	107	108	..	127.2
May	110	124	107	114	110	109	121	..	123.3
Jun	110	114	105	114	117	108	114	..	126.4
Jul	112	122	104	112	115	109	119	..	129.6
Aug	114	123	104	127	119	110	125	..	127.6
Sep	112	111	104	135	125	109	119	..	133.5
Oct	111	106	103	121	119	108	111	..	138.1
Nov	111	121	106	145	120	109	129	..	148.3
Dec	111	114	105	130	122	109	120	..	137.7
1989 Jan	111	110	106	124	113	109	115	..	150.3
Feb	110	101	112	168	112	111	124	..	129.2
Mar	112	123	114	128	112	113	125	..	..

1 Mechanical, instrument and electrical engineering (SIC classes 32, 33, 34 and 37).

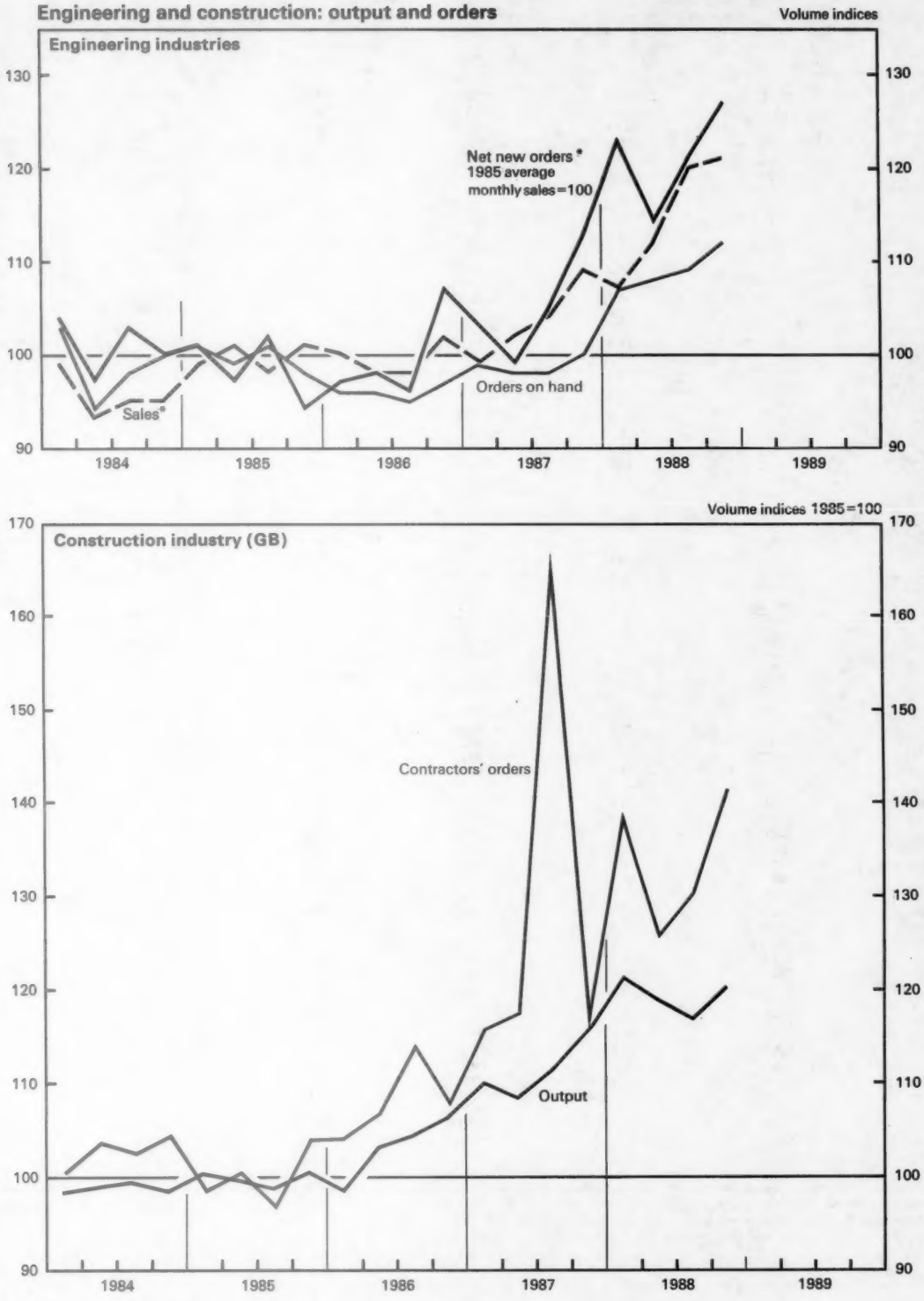
2 Net of cancellations.

3 This index is based on a gross output series which includes repair and maintenance estimates, unrecorded output by self-employed workers and small firms and output by the direct labour departments of the public sector.

4 Includes the Channel Tunnel project. Excluding the project, the level of orders would have been 137.4 in July 1987, 134.6 in third quarter 1987 and 121.0 in 1987 as a whole.

Sources: Department of Trade and Industry; Department of the Environment

Engineering and construction: output and orders



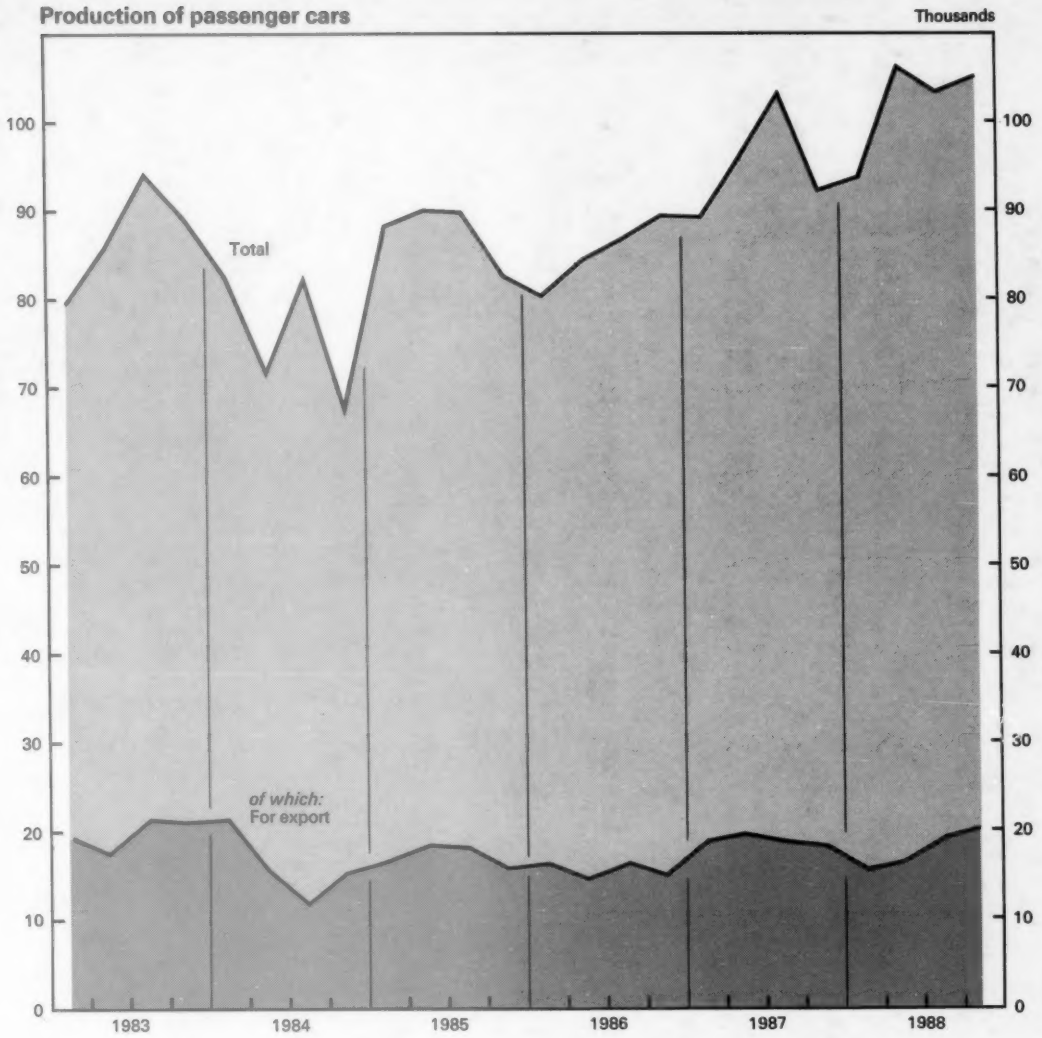
* See footnote [2] on page 32

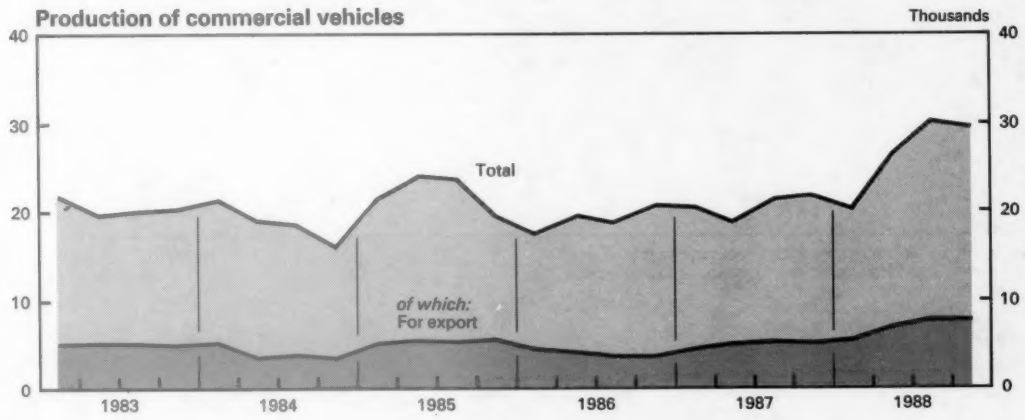
19 Motor vehicle production[1] and steel production and consumption

	Passenger cars+		Commercial vehicles+		Crude steel production[2] (thousand tonnes)	Finished steel consumption (thousand tonnes)
	Total production (thousands)	Of which for export (thousands)	Total production (thousands)	Of which for export (thousands)		
	FFAO	FFAP	FFAQ	FFAR	FFAM	FFAN
1977	104.3	46.9	33.3	16.4	20 385	15 300
1978	89.3	41.2	32.0	14.1	20 237	15 710
1979	77.0	32.8	34.0	13.5	21 411	15 480
1980	77.0	29.1	32.4	13.0	11 387	12 770
1981	79.5	25.4	19.2	9.6	15 308	12 440
1982	74.0	18.8	22.4	7.7	13 644	12 240
1983	87.1†	19.8	20.4	5.2	14 933	11 510
1984	75.8	16.0	18.7	4.2†	15 076	11 340
1985	87.7	17.3	22.2	5.5	15 716	11 560
1986	85.1	15.5	19.0	4.2	14 723	11 840
1987	95.3	18.9	20.5†	5.1	17 726	12 330
1988	102.2	17.8	26.5	7.0	18 870	14 480
1984 Q4	67.2	15.4	16.1	3.7	3 766.0	2 860
1985 Q1	88.2	16.8	21.2	5.1†	3 714.0	2 820
Q2	90.0	18.4	24.1	5.6	4 117.0	2 820
Q3	89.9	18.2	23.9	5.4	3 920.0	2 910
Q4	82.5	15.8	19.4	5.8	3 965.0	3 010
1986 Q1	80.2	16.2	17.2	4.8	3 787.0	2 950
Q2	84.3	14.6	19.4	4.2	3 256.0	3 010
Q3	86.6	16.3	18.8	3.8	3 436.0	2 960
Q4	89.4	14.8	20.7	3.9	4 244.0	2 890
1987 Q1	89.2	18.8	20.4	4.5	3 989.0	2 870
Q2	96.3	19.6	18.7	5.1	4 392.0	3 030
Q3	103.5	18.8	21.3	5.3	4 673.0	3 260
Q4	92.1	18.2	21.8	5.3	4 672.0	3 170
1988 Q1	93.9	15.6	20.2	5.3	4 751.0	3 550
Q2	106.5	16.5	26.4	7.0	4 694.0	3 650
Q3	103.3	19.1	30.1	7.9	4 675.0	3 610
Q4	105.2	20.2	29.3	7.9	4 727.3	3 670
1989 Q1	107.7†	22.5†	29.1†	7.7	4 854.0†	..
1987 Feb	89.1	19.1	20.1	4.2	1 270	..
Mar	100.4	20.6	21.3	5.3	1 226	..
Apr	90.5	18.4	17.7	4.9	1 724*	..
May	97.2	20.2	19.2	5.4	1 281	..
Jun	101.2	20.1	19.3	5.0	1 388	..
Jul	102.0	19.8	19.2	4.9	1 674*	..
Aug	105.8	17.6	21.7	5.3	1 318	..
Sep	102.6	19.1	23.0	5.8	1 681*	..
Oct	95.4	19.0	21.5	5.0	1 390	..
Nov	86.2	17.6	21.3	5.1	1 425	..
Dec	94.7	18.0	22.5	5.7	1 856*	..
1988 Jan	96.1	16.3	22.0	5.8	1 622	..
Feb	82.0	15.6	16.1	3.7	1 446	..
Mar	103.6	14.8	22.5	6.4	1 682*	..
Apr	102.5	16.7	24.1	6.2	1 432	..
May	103.6	14.8	25.8	6.5	1 513	..
Jun	113.4	18.0	29.2	8.4	1 749*	..
Jul	106.1	18.1	29.0	8.5	1 514	..
Aug	102.7	19.0	33.2	7.5	1 420	..
Sep	101.2	20.2	28.1	7.7	1 742*	..
Oct	105.9	22.7	29.1	8.0	1 470	..
Nov	111.2	22.1	29.9	7.9	1 805*	..
Dec	98.6	15.7	29.0	7.8	1 453	..
1989 Jan	112.3	23.6	30.6	7.0	1 623	..
Feb	106.1	22.6†	29.3	8.8	1 503	..
Mar	104.8†	21.4	27.3†	7.4†	1 728†	..
Apr	..	..	..	..	1 446	..

1 Annual and quarterly figures are monthly averages.
2 The totals are for 'usable steel' in accordance with the system used by the EC and the International Iron and Steel Institute.

Source: Department of Trade and Industry


Production of passenger cars
Thousands
100
90
80
70
60
50
40
30
20
10
0
Total
of which:
For export
1983
1984
1985
1986
1987
1988


Production of commercial vehicles
Thousands
40
30
20
10
0
Total
of which:
For export
1983
1984
1985
1986
1987
1988

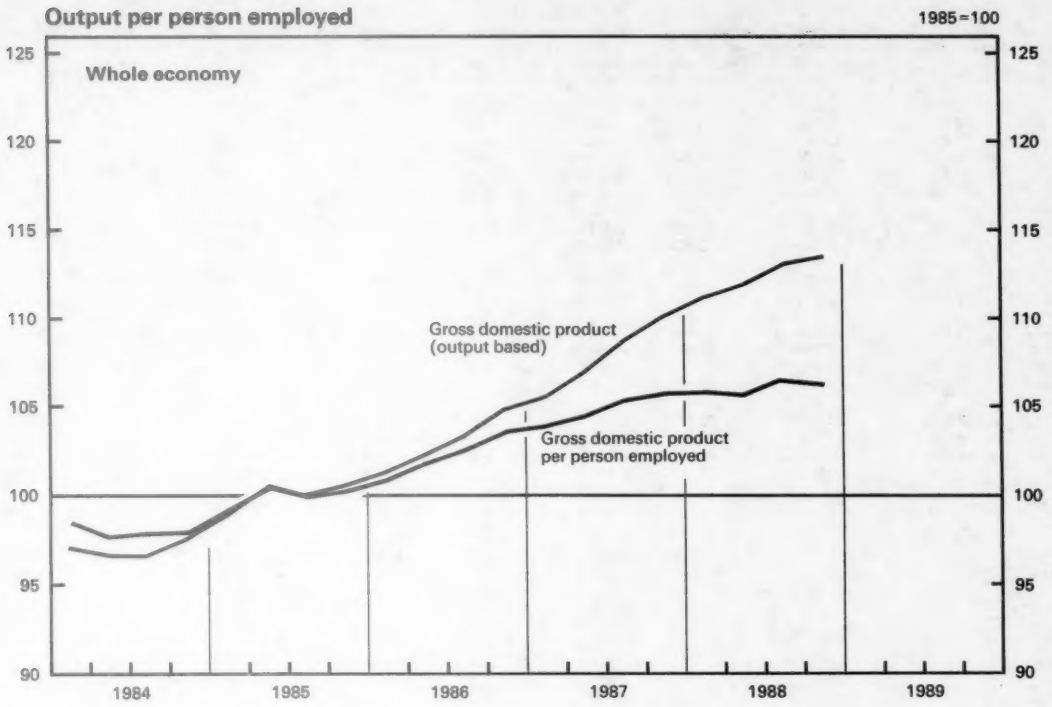
20 Output per person employed

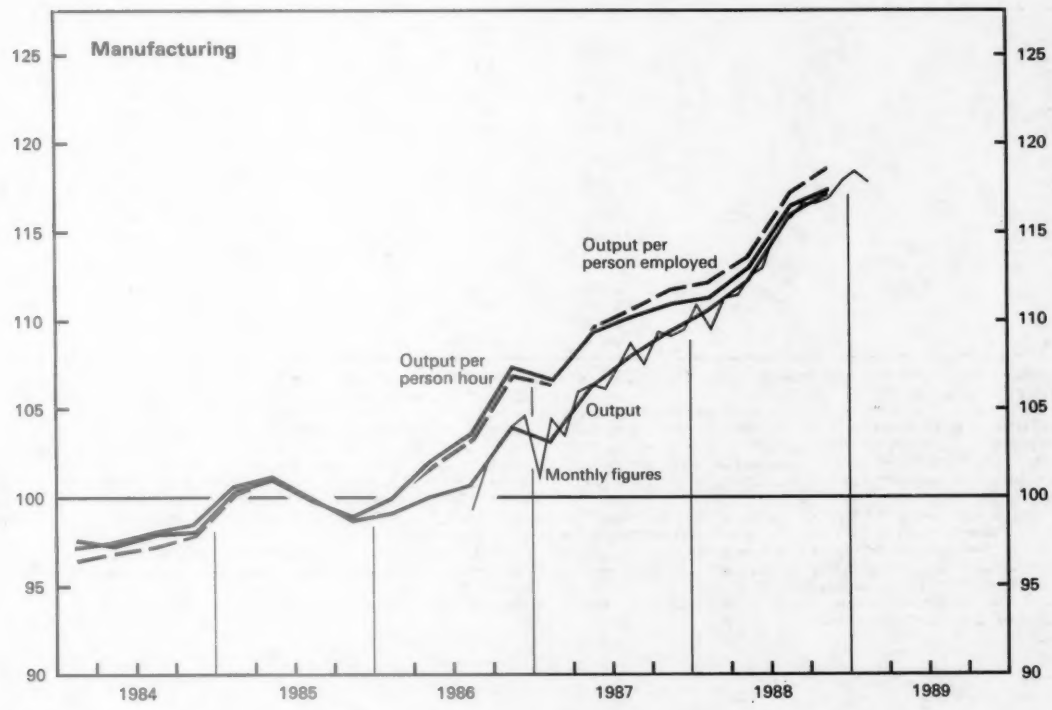
1985 = 100

	Employed labour force[1]			Output per person employed[2]			Output per hour in manufacturing industries
	Whole economy	Total production industries	Manufacturing industries	Whole economy	Total production industries	Manufacturing industries	
	DMBC	DMBK	DMBD	DMBE	CAIW	DMBF	DMBH
1984	98.6	100.8	100.5	98.4	94.1	97.2	97.7†
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	100.6	97.3	98.0	102.3	105.0	103.0	103.3
1987	102.8	96.1	97.2	104.9	110.1	109.7	109.3
1988	106.0	97.0	98.7	106.1	113.1†	115.6†	114.7
1985 Q3	100.2	99.9	100.0	99.9	100.6	99.8	99.8
Q4	100.3	99.4	99.7	100.3	100.6	98.9	98.8
1986 Q1	100.3	98.7	99.1†	100.9	102.8	100.0	100.0
Q2	100.4	97.6	98.3	101.9	104.2	101.9	102.2
Q3	100.6	96.8	97.4	102.7	105.8	103.3	103.6
Q4	101.0	96.3	97.1	103.7	107.2	107.0	107.5
1987 Q1	101.5	95.8	96.7	103.9	108.4	106.6†	106.7
Q2	102.3	95.9	96.9	104.5	109.5†	109.6	109.4
Q3	103.1	96.2	97.4	105.4	110.6	110.8	110.3
Q4	104.1	96.5	97.9	105.8	111.7	111.7	110.9†
1988 Q1	105.1	96.9†	98.5	105.8	111.3	112.5	111.5
Q2	105.8	97.0	98.8	105.7	112.8	114.0	113.3
Q3	106.3	97.0	98.9	106.5	114.1	117.3	116.5
Q4	106.8	97.0	98.8	106.3	114.1	118.7	117.5
1989 Q1	..	97.0	99.1	..	112.6	119.3	118.2
1987 Nov	..	..	97.9	..	..	111.5†	110.8†
Dec	..	..	98.0	..	..	111.6	110.9
1988 Jan	..	..	98.3†	..	..	113.1	111.8
Feb	..	..	98.6	..	..	111.4	110.6
Mar	..	..	98.7	..	..	113.0	112.2
Apr	..	..	98.7	..	..	113.0	112.3
May	..	..	98.8	..	..	114.1	113.4
Jun	..	..	98.8	..	..	114.7	114.2
Jul	..	..	98.8	..	..	117.0	116.1
Aug	..	..	98.9	..	..	117.2	116.4
Sep	..	..	98.9	..	..	117.8	117.1
Oct	..	..	98.7	..	..	118.2	117.1
Nov	..	..	98.8	..	..	118.7	117.5
Dec	..	..	99.0	..	..	119.1	117.9
1989 Jan	..	..	99.2	..	..	119.1	117.6
Feb	..	..	99.1	..	..	118.9	117.9
Mar	..	..	98.9	..	..	119.8	119.0
Percentage change, quarter on corresponding quarter of previous year							
1985 Q3	*1.5*	*-0.7*	*-0.6*	*2.1*	*6.6*	*2.6*	*2.0*
Q4	*1.1*	*-1.1*	*-0.7*	*1.9*	*6.6*	*1.0*	*0.7*
1986 Q1	*0.7*	*-1.8*	*-1.1*	*1.6*	*5.4*	*-0.3*	*-0.3*
Q2	*0.5*	*-2.6*	*-1.8*	*1.4*	*2.8*	*1.0*	*1.2*
Q3	*0.4*	*-3.1*	*-2.5*	*2.8*	*5.2*	*3.4*	*3.8*
Q4	*0.7*	*-3.2*	*-2.6*	*3.5*	*6.6*	*8.2*	*8.8*
1987 Q1	*1.2*	*-2.9*	*-2.5*	*2.9*	*5.5*	*6.6*	*6.7*
Q2	*1.9*	*-1.8*	*-1.4*	*2.5*	*5.2*	*7.5*	*7.0*
Q3	*2.5*	*-0.6*	*-*	*2.6*	*4.6*	*7.3*	*6.5*
Q4	*3.1*	*0.2*	*0.8*	*2.0*	*4.2*	*4.3*	*3.2*
1988 Q1	*3.5*	*1.2*	*1.9*	*1.9*	*2.7*	*5.6*	*4.5*
Q2	*3.4*	*1.2*	*1.9*	*1.2*	*2.9*	*4.0*	*3.6*
Q3	*3.1*	*0.9*	*1.5*	*1.0*	*3.1*	*5.9*	*5.6*
Q4	*2.6*	*0.5*	*1.0*	*0.5*	*2.1*	*6.3*	*5.9*
1989 Q1	..	-	*0.5*	..	*1.1*	*6.0*	*5.9*

1 Comprises employees in employment, the self-employed and HM Forces.
2 The ratios do not take into account part-time working or hours of work.

Sources: Department of Employment; Central Statistical Office


Output per person employed
1985=100
Whole economy
Gross domestic product
(output based)
Gross domestic product
per person employed
125
120
115
110
105
100
95
90
1984
1985
1986
1987
1988
1989


Manufacturing
Output per
person employed
Output per
person hour
Output
Monthly figures
125
120
115
110
105
100
95
90
1984
1985
1986
1987
1988
1989

21 National employment and unemployment [1]

	Workforce[2,3] (thousands)	Workforce in employment[2,3,4] (thousands)	Employees in employment[2,3,4] (thousands)	Unemployed[5] Total (thousands)	Unemployed[5] Percentage of workforce[6]	Vacancies at job centres+[7] (thousands)	Employees in employment (GB) (thousands) Manufacturing industry	Employees in employment (GB) (thousands) Production industry	Total unemployed[5] (thousands) (NSA)
	DYDD	DYDC	BCAJ	BCJD	BCJE	DPCB	BCHK	DYCP	BCJA
1982	26 611†	23 890†	21 395†	2 546.7	*9.6*†	113.9	5 761	6 432	2 916.9
1983	26 634	23 613	21 053	2 790.5	*10.5*	137.3	5 430	6 069	3 104.7†
1984	27 307	24 224	21 227	2 920.6	*10.7*	150.2	5 315	5 922	3 159.8
1985	27 821	24 608	21 496	3 035.7	*10.9*	162.1	5 272	5 852	3 271.2
1986	28 063	24 744	21 570	3 107.2	*11.1*	188.3	5 146	5 676	3 289.1
1987	28 361	25 369	21 878	2 822.3	*10.0*	235.0	5 079†	5 569†	2 953.4
1988	28 628	26 203	22 558	2 294.5	*8.1*	245.1	5 150	5 613	2 370.4
1986 Q3	28 173†	24 891†	21 598†	3 126.0†	*11.2*	198.6	5 108†	5 627†	3 297.5†
Q4	28 192	24 978	21 637	3 080.6	*11.0*†	208.6	5 084	5 593	3 227.7
1987 Q1	28 201	25 074	21 698	3 010.5	*10.6*	214.1	5 053	5 547	3 222.1
Q2	28 361	25 369	21 878	2 900.5	*10.3*	228.3	5 079	5 569	2 999.6
Q3	28 487	25 652	22 057	2 765.8	*9.8*	239.1	5 090	5 579	2 880.8
Q4	28 552	25 873	22 266	2 612.3	*9.2*	260.0	5 116	5 601	2 710.9
1988 Q1	28 659	26 093	22 478	2 486.1	*8.7*	249.9	5 150	5 622	2 659.9
Q2	28 628	26 203	22 558	2 363.6	*8.3*	255.2	5 150	5 613	2 434.6
Q3	28 628	26 371	22 670	2 228.2	*7.8*	244.3	5 150	5 610	2 309.6
Q4	28 556	26 513	22 741	2 100.2	*7.4*	244.9	5 152	5 606	2 077.4
1989 Q1	..	..	..	1 951.0	*6.8*	226.7	5 147	5 595	2 017.6
Q2	..	..	..	..	*6.6*	..	..	..	..
1987 Feb	..	..	..	3 007.0	*10.7*	212.3	5 060†	5 559†	3 225.8
Mar	..	..	..	2 973.1	*10.5*	217.0	5 053	5 547	3 143.4
Apr	..	..	..	2 953.9	*10.5*	219.6	5 048	5 535	3 107.1
May	..	..	..	2 890.5	*10.2*	231.6	5 063	5 550	2 986.5
Jun	..	..	..	2 857.2	*10.1*	233.7	5 079	5 569	2 905.3
Jul	..	..	..	2 812.6	*10.0*	235.3	5 081	5 568	2 906.5
Aug	..	..	..	2 766.6	*9.8*	237.7	5 087	5 574	2 865.8
Sep	..	..	..	2 718.1	*9.6*	244.4	5 090	5 579	2 870.2
Oct	..	..	..	2 663.9	*9.4*	259.9	5 101	5 585	2 751.4
Nov	..	..	..	2 604.4	*9.2*	265.1	5 112	5 596	2 685.6
Dec	..	..	..	2 568.6	*9.1*	254.9	5 116	5 601	2 695.8
1988 Jan	..	..	..	2 519.4	*8.9*	250.8	5 133	5 613	2 722.2
Feb	..	..	..	2 485.0	*8.8*	249.6	5 144	5 620	2 665.5
Mar	..	..	..	2 453.9	*8.7*	249.4	5 150	5 622	2 592.1
Apr	..	..	..	2 402.9	*8.5*	255.9	5 151	5 614	2 536.0
May	..	..	..	2 363.8	*8.4*	254.5	5 152	5 613	2 426.9
Jun	..	..	..	2 324.1	*8.2*	255.1	5 150	5 613	2 340.8
Jul	..	..	..	2 267.3	*8.0*	249.7	5 153	5 612	2 326.7
Aug	..	..	..	2 225.6	*7.9*	242.8	5 155	5 614	2 291.2
Sep	..	..	..	2 191.7	*7.8*	240.3	5 150	5 610	2 311.0
Oct	..	..	..	2 157.9	*7.7*	251.2	5 141	5 597	2 118.9
Nov	..	..	..	2 105.2	*7.5*	245.2	5 144	5 599	2 066.9
Dec	..	..	..	2 037.4	*7.2*	238.3	5 152	5 608	2 046.5
1989 Jan	..	..	..	1 987.8	*7.0*	229.2	5 162	5 615	2 074.3
Feb	..	..	..	1 948.7	*6.8*	228.1	5 155	5 606	2 018.2
Mar	..	..	..	1 916.6†	*6.7*	222.9	5 147	5 595	1 960.2
Apr	..	..	..	1 856.4	*6.5*†	222.1†	..	..	1 883.6†

1 Unemployment figures do not include students registered for temporary employment during a current vacation.

2 The workforce consists of the workforce in employment and the unemployed (claimants); the workforce in employment comprises employees in employment, the self-employed, HM Forces and participants in work-related government training programmes. For an explanation of the changes to the presentation of employment statistics see *Employment Gazette* August 1988, page 56.

3 Estimates of employees in employment from December 1984 onwards include an allowance based on the Labour Force Survey to compensate for persistent undercounting in the regular sample enquiries (see *Employment Gazette*, January 1987). For all dates, individuals with two jobs as employees of different employers are counted twice.

4 Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December.

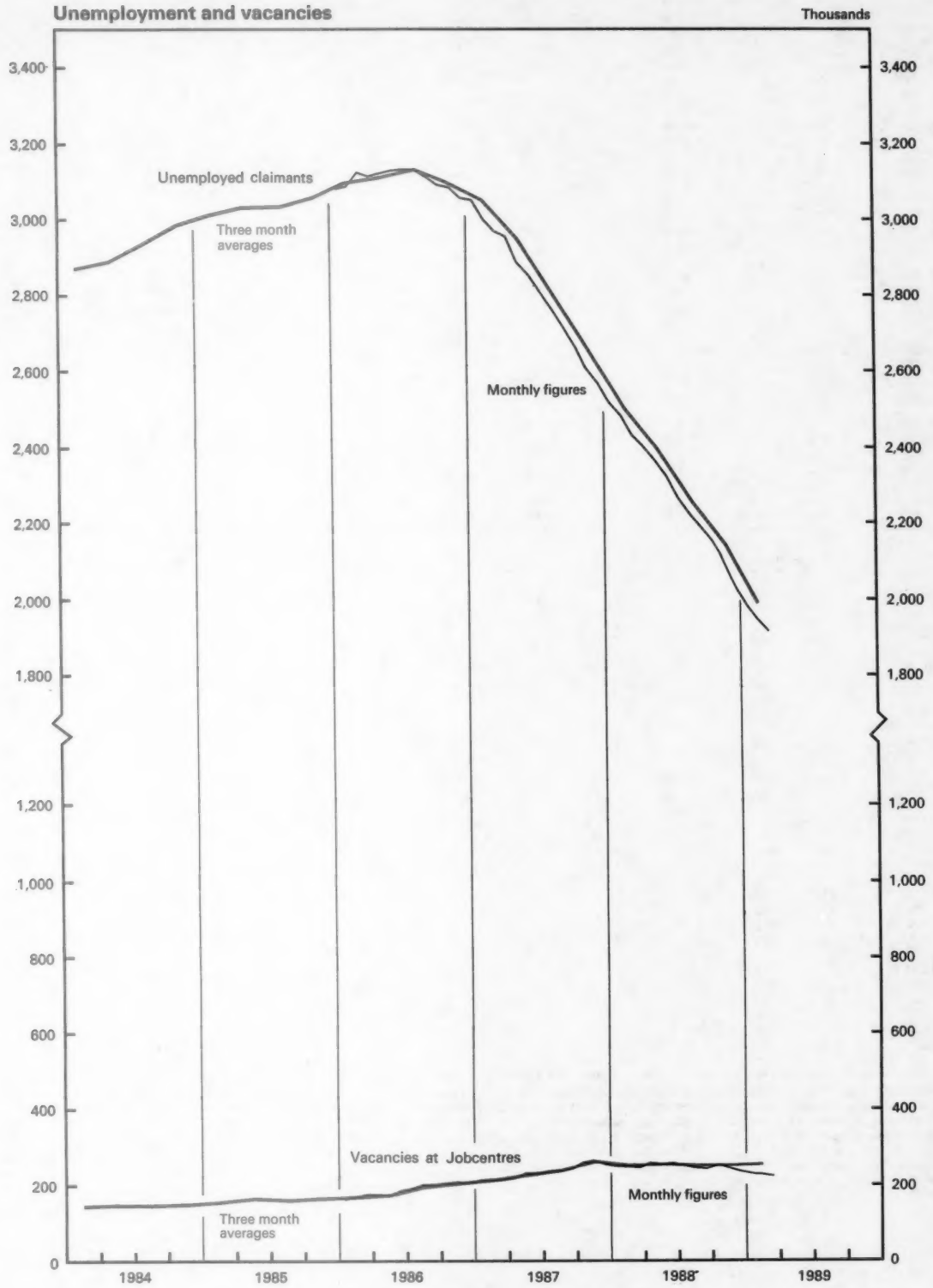
5 Unadjusted unemployment figures have been affected by changes in the coverage. The seasonally adjusted figures however, as given in this table, are estimated on the current basis, allowing for the discontinuities, and are therefore recommended for the purposes of assessing trends. The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 (1974 for the regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See page 660 of the December 1988 *Employment Gazette*. See also page 422 of the October 1986 edition for the list of previous discontinuities taken into account.)

Note: Quarter figures relate to January, April, July and October.

6 The denominator used to calculate unemployment rates is the workforce - see footnote 2.

7 Vacancies notified to job centres and remaining unfilled.

Source: Department of Employment


Unemployment and vacancies
Thousands
3,400
3,200
3,000
2,800
2,600
2,400
2,200
2,000
1,800
1,200
1,000
800
600
400
200
0
Unemployed claimants
Three month averages
Monthly figures
Vacancies at Jobcentres
Three month averages
Monthly figures
1984
1985
1986
1987
1988
1989

22 Regional unemployment rates [1]

Percentages

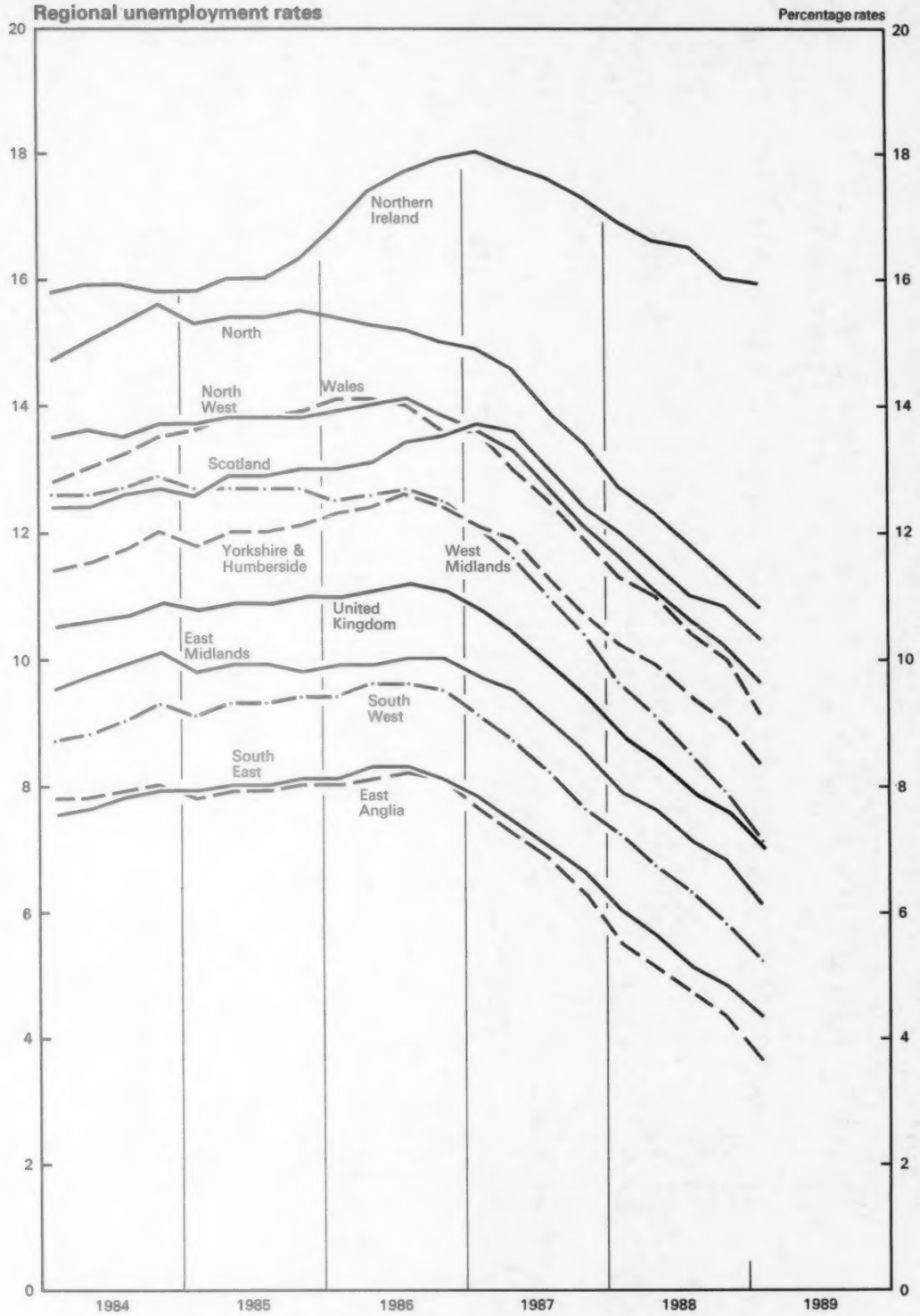
	North	Yorkshire and Humberside	East Midlands	East Anglia	South East	South West	West Midlands
	DPBH	DPBI	DPBJ	DPBK	DPBL	DPBM	DPBN
1983 Q2	14.3†	11.4	9.5†	8.0	7.5†	8.6	13.0†
Q3	14.3	11.5	9.6	8.0	7.6	8.8	13.0
Q4	14.5	11.5	9.7	8.1	7.7	8.9	12.8
1984 Q1	14.5	11.4	9.8	7.8	7.6	8.8†	12.6
Q2	14.8	11.5	9.7	7.8	7.7	8.9	12.6
Q3	15.0	11.8†	9.9	7.9	7.8	9.1	12.7
Q4	15.3	12.0	10.1	8.0	8.0	9.3	12.8
1985 Q1	14.8	11.8	9.9	7.8	8.0	9.2	12.7
Q2	15.0	12.0	9.9	7.9	8.0	9.3	12.7
Q3	15.0	12.0	9.9	8.0†	8.0	9.3	12.7
Q4	15.1	12.2	9.9	8.1	8.1	9.4	12.7
1986 Q1	15.0	12.4	9.9	8.1	8.2	9.5	12.6
Q2	14.9	12.5	9.9	8.2	8.3	9.6	12.6
Q3	14.8	12.5	10.0	8.2	8.2	9.6	12.6
Q4	14.6	12.4	9.9	8.1	8.1	9.4	12.4
1987 Q1	14.4	12.0	9.6	7.5	7.7	8.9	11.9
Q2	14.0	11.6	9.3	7.1	7.3	8.5	11.4
Q3	13.5	11.1	8.8	6.6	6.9	8.0	10.8
Q4	12.9	10.5	8.3	6.1	6.4	7.5	10.2
1988 Q1	12.3	10.1	7.8	5.4	5.9	7.0	9.4
Q2	11.9	9.7	7.4	5.0	5.5	6.6	8.9
Q3	11.4	9.3	7.0	4.6	5.0	6.1	8.3
Q4	11.1	8.7	6.6	4.1	4.6	5.6	7.6
1989 Q1	10.6	8.1	6.0	3.5	4.2	5.1	6.9
Q2	10.3	7.8	5.9	3.5	4.0	4.9	6.5

	North West	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
	DPBO	DPBP	DPBQ	DPAJ	DPBR	BCJE
1983 Q2	13.5†	13.0†	12.3†	10.3	15.4†	10.5†
Q3	13.6	12.9	12.4	10.4	15.7	10.6
Q4	13.8	13.0	12.4	10.5	15.8	10.6
1984 Q1	13.7	12.9	12.5	10.4†	15.9	10.5
Q2	13.7	13.1	12.5	10.5	15.9	10.6
Q3	13.8	13.3	12.6	10.6	15.9	10.8
Q4	13.9	13.6	12.7	10.8	15.9	10.9
1985 Q1	13.9	13.7	12.6	10.7	15.8	10.8
Q2	14.0	13.8	12.9	10.8	16.0	10.9
Q3	14.0	13.9	12.9	10.8	16.1	10.9
Q4	14.0	13.9	13.0	10.9	16.5	11.0
1986 Q1	14.1	14.1	13.1	10.9	17.0	11.1
Q2	14.2	14.1	13.2	11.0	17.5	11.2
Q3	14.2	13.9	13.4	11.0	17.8	11.2
Q4	13.9	13.5	13.6	10.8	17.9	11.0
1987 Q1	13.7	13.3	13.6	10.5	17.9	10.6
Q2	13.2	12.8	13.3	10.1	17.7	10.3
Q3	12.6	12.3	12.8	9.6	17.5	9.8
Q4	12.0	11.7	12.3	9.0	17.1	9.2
1988 Q1	11.6	11.2	11.9	8.5	16.7	8.7
Q2	11.1	10.8	11.4	8.1	16.6	8.3
Q3	10.5	10.2	10.9	7.6	16.3	7.8
Q4	10.0	9.7	10.6	7.1	15.9	7.4
1989 Q1	9.4	8.9	10.1	6.6	15.9	6.8
Q2	9.1	8.6	9.8	6.4	15.6	6.6

Note: Figures shown are at January, April, July and October respectively.

1 The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 (1974 for the regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See page 660 of the December 1988 *Employment Gazette*. See also page 422 of the October 1986 edition for the list of previous discontinuities taken into account.) The denominators used to calculate unemployment rates are the sum of the appropriate mid-year estimates of employees in employment and the unemployed, the self-employed, HM Forces and participants in work-related government training programmes. Recent figures are based on mid-1987 estimates.

Source: Department of Employment


Regional unemployment rates
Percentage rates
20
18
16
14
12
10
8
6
4
2
0
Northern Ireland
North
North West
Wales
Scotland
Yorkshire & Humberside
West Midlands
United Kingdom
East Midlands
South West
South East
East Anglia
1984
1985
1986
1987
1988
1989

23 Average earnings

1985 = 100

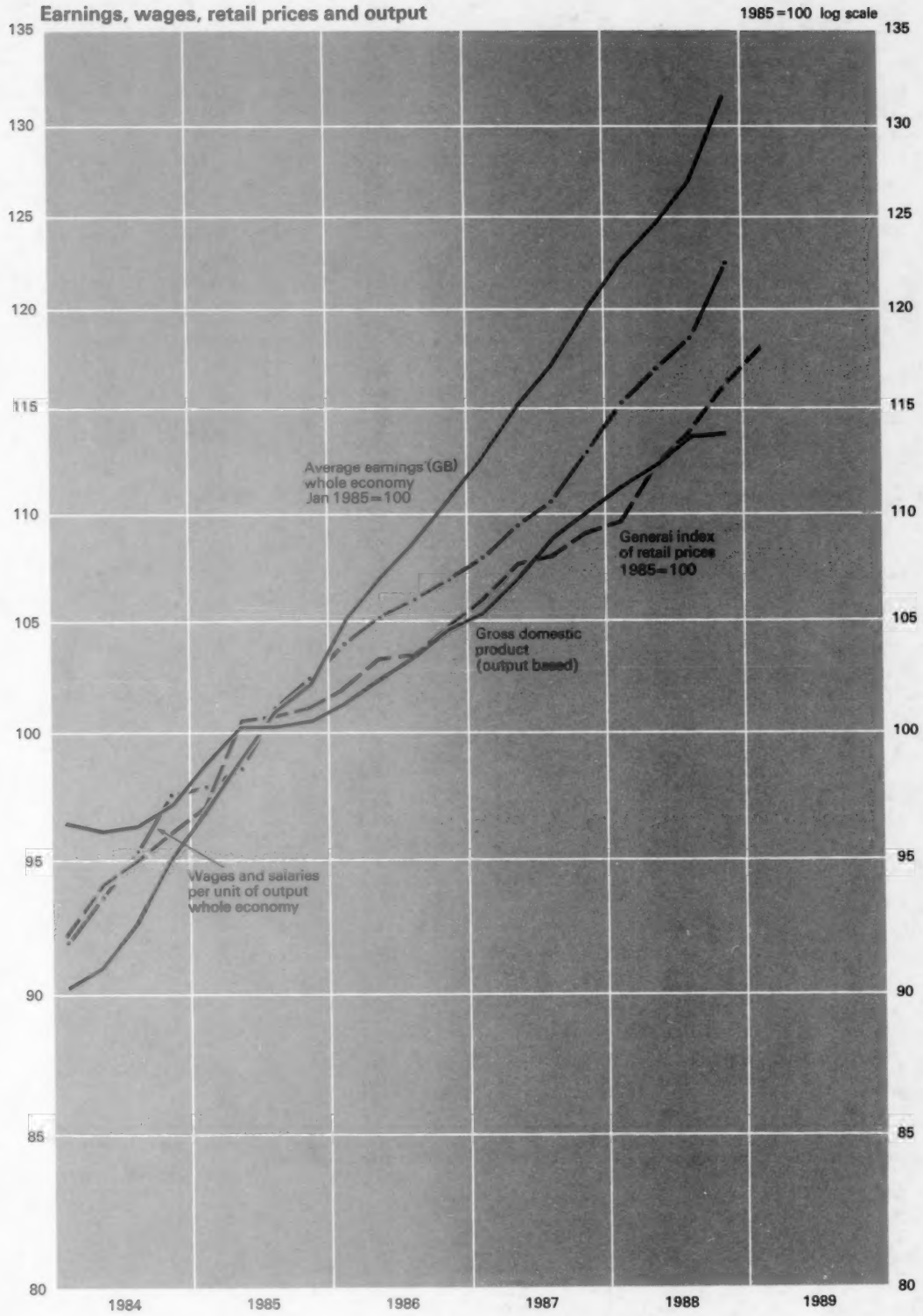
	Average earnings (GB)[1]									Wages and salaries per unit of output	
	Whole economy	Percentage increase on year earlier	Underlying % change over previous 12 months[2]	Production industries	Percentage increase on year earlier	Underlying % change over previous 12 months[2]	Manufacturing industry	Percentage increase on year earlier	Underlying % change over previous 12 months[2]	Whole economy[3]	Manufacturing industry
	DNAA	DNDZ		DNAE	DNED		DNAC	DNEH		DJDO	DMBG
1984	92.2	6.0		89.8	5.8		91.7	8.6		94.6	94.3
1985	100.0	8.5		100.0	11.4		100.0	9.1		100.0	100.0
1986	107.9	7.9		108.0	8.0		107.7	7.7		105.5	104.5
1987	116.3	7.8		116.7	8.1		116.3	8.0		110.1	106.1
1988	126.4	8.7		126.5	8.4		126.2	8.5		118.3	109.1
	DNAB	DNEA	DNEM	DNAF	DNEE	DNEN	DNAD	DNEI	DNEO		
1985 Q3	101.1	9.2	7.58†	101.3	12.4	8.75†	100.9	9.1	9.00†	101.2	101.1
Q4	102.5	7.8	7.50	103.1	11.2	8.75	102.8	8.4	8.75	102.4	103.9
1986 Q1	105.1	8.4†	7.50	105.2	10.1†	8.50	104.7	7.9†	8.25	104.0	104.7
Q2	107.0	8.0	7.50	106.8	7.8	8.17	106.7	7.5	7.75	105.2	104.7
Q3	108.6	7.5	7.50	108.6	7.2	7.83	108.2	7.2	7.75	106.0	104.8
Q4	110.7	8.0	7.67	111.3	8.0	7.92	111.0	8.0	7.83	106.8	103.7
1987 Q1	112.7	7.2	7.50	113.2	7.6	7.92	112.8	7.8	7.92	107.8	105.9
Q2	115.1	7.6	7.75	115.2	7.8	8.08	114.9	7.7	8.08	109.4	104.9†
Q3	117.2	7.8	7.75	117.7	8.4	8.25	117.4	8.4	8.42	110.5	105.9
Q4	120.0	8.4	8.25	120.5	8.2	8.25	120.2	8.3	8.25	112.9	107.6
1988 Q1	122.6	8.8	8.50	121.8	7.6	8.42	122.0	8.1	8.50	115.1	108.4
Q2	124.6	8.2	8.58	125.6	9.1	8.67	125.0	8.8	8.83	117.0	109.7
Q3	127.0	8.4	9.17	127.5	8.3	8.92	127.0	8.2	8.83	118.6	108.2
Q4	131.5	9.6	8.83	131.0	8.7	8.83	130.6	8.7	8.67	122.4	110.0
1989 Q1	134.0†	9.3	9.17	133.6†	9.6	9.17	133.3†	9.3	9.00	..	111.8
1986 Sep	108.8	6.3	7.50	109.5	6.7	7.75	109.0	7.0	7.75	..	104.2
Oct	109.9	8.4	7.50	110.3	8.0	7.75	110.0	7.8	7.75	..	103.8†
Nov	110.9	8.2	7.75	111.3	7.7	8.00	110.9	8.0	7.75	..	103.5
Dec	111.2	7.4	7.75	112.4	8.2	8.00	112.1	8.2	8.00	..	103.8
1987 Jan	112.1	7.6	7.50	112.7	7.6	7.75	112.2	7.7	7.75	..	107.5
Feb	112.8	7.5	7.50	113.5	7.9	8.00	113.1	8.1	8.00	..	104.5
Mar	113.2	6.6	7.50	113.4	7.4	8.00	113.2	7.6	8.00	..	105.7
Apr	114.2	6.3	7.75	114.6	7.2	8.00	114.4	6.9	8.00	..	104.3
May	115.4	8.7	7.75	115.2	8.3	8.00	114.7	8.2	8.00	..	104.4
Jun	115.7	7.7	7.75	115.7	8.0	8.25	115.7	7.9	8.25	..	105.9
Jul	117.0	8.0	7.75	116.9	8.7	8.25	116.9	8.9	8.25	..	106.0
Aug	117.1	7.6	7.75	117.7	8.2	8.25	117.0	8.0	8.50	..	104.7
Sep	117.4	7.9	7.75	118.6	8.3	8.25	118.2	8.4	8.50	..	107.2
Oct	118.8	8.1	8.00	119.9	8.7	8.25	119.4	8.5	8.25	..	106.7
Nov	120.2	8.4	8.25	120.1	7.9	8.25	119.8	8.0	8.25	..	107.4
Dec	121.0	8.8	8.50	121.5	8.1	8.25	121.4	8.3	8.25	..	108.7
1988 Jan	121.8	8.7	8.50	121.7	8.0	8.50	121.7	8.5	8.50	..	107.6
Feb	122.0	8.2	8.50	120.7	6.3	8.50	121.1	7.1	8.50	..	108.7
Mar	124.0	9.5	8.50	123.1	8.6	8.25	123.2	8.8	8.50	..	109.1
Apr	124.4	8.9	8.50	125.6	9.6	8.50	125.2	9.4	8.75	..	110.7
May	124.2	7.6	8.50	126.0	9.4	8.50	124.9	8.9	8.75	..	109.4
Jun	125.1	8.1	8.75	125.3	8.3	9.00	125.0	8.0	9.00	..	108.9
Jul	126.9	8.5	9.00	127.0	8.6	9.00	126.6	8.3	9.00	..	108.2
Aug	126.6	8.1	9.25	127.2	8.1	9.00	126.7	8.3	8.75	..	108.0
Sep	127.6	8.7	9.25	128.3	8.2	8.75	127.6	8.0	8.75	..	108.3
Oct	129.5	9.0	9.00	130.1	8.5	8.75	129.2	8.2	8.50	..	109.2
Nov	130.7	8.7	8.75	130.4	8.6	8.75	130.2	8.7	8.75	..	109.6
Dec	134.3	11.0	8.75	132.5	9.1	9.00	132.4	9.1	8.75	..	111.1
1989 Jan	133.3	9.4	9.00	133.2	9.4	9.00	133.2	9.4	9.00	..	111.8
Feb	133.8†	9.7†	9.25	133.4†	10.5†	9.25†	133.2†	10.0†	9.00†	..	112.0
Mar	135.0	8.9	9.25†	134.1	8.9	9.25	133.6	8.4	9.00	..	111.5

1 The seasonal adjustment factors currently used are based on data up to January 1988.

2 Estimated to the nearest quarter of one percentage point. For the derivation of recent underlying changes see 'Employment Topics' item in *Employment Gazette*, March 1989.

3 The method for calculating whole economy unit wage costs is described in *Employment Gazette*, May 1986.

Sources: Department of Employment; Central Statistical Office


Earnings, wages, retail prices and output
1985=100 log scale
135
130
125
120
115
110
105
100
95
90
85
80
Average earnings (GB) whole economy Jan 1985=100
General index of retail prices 1985=100
Gross domestic product (output based)
Wages and salaries per unit of output whole economy
1984
1985
1986
1987
1988
1989

24 Prices

1985 = 100

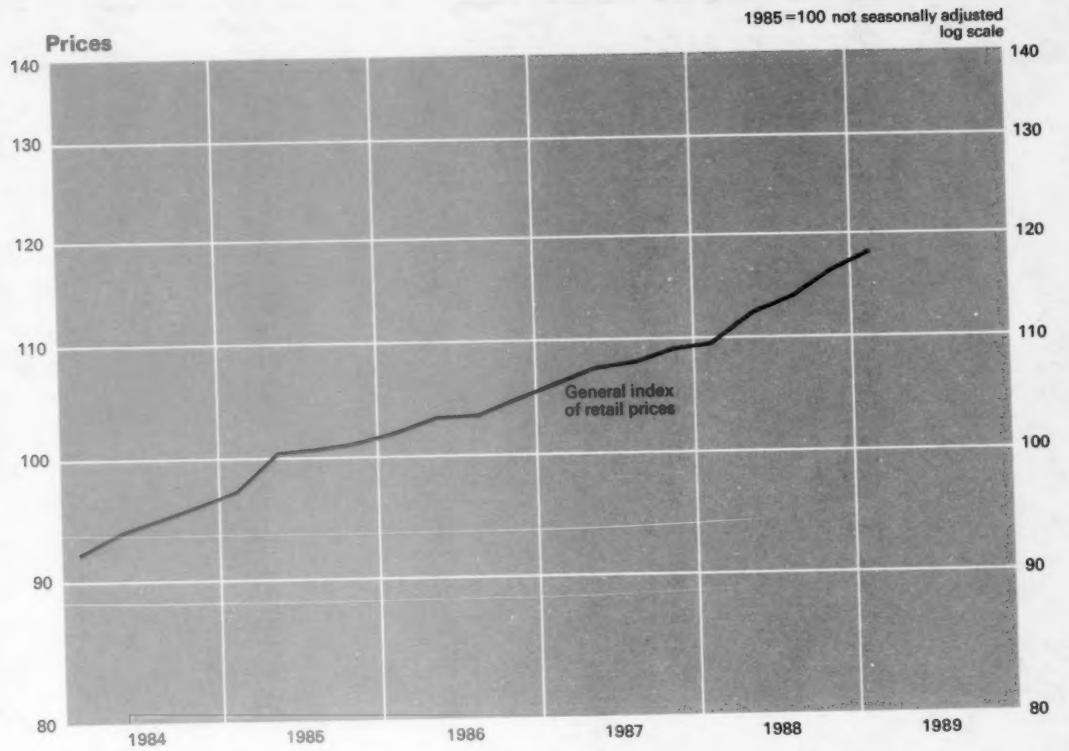
	Producer price index		General index of retail prices[1] (NSA)						Pensioner price index[2] (NSA)		
			All items				All items other than seasonal food				
	Materials and fuel purchased by manufacturing industry	Output: all manufactured products: home sales (NSA)	Index	Percentage increase on year earlier	Total food	Total non-food	Index	Percentage increase on year earlier	One-person household	Two-person household	Purchasing power of the pound[3] (NSA)
	DZDQ	DZCV	FRAG	FRAN	FRAH	FRAI	FRAK	FRAO	FRAL	FRAM	FJAK
1980	73.3	72.2	70.7	*18.0*	76.1	69.4	70.7	*18.4*	71.4	71.3	142
1981	80.1†	79.1	79.1	*11.9*	82.5	78.2	79.1	*11.9*	79.5	79.5	127
1982	86.0	85.2	85.9	*8.6*	89.0	85.1	85.8	*8.5*	86.9	86.7	117
1983	91.9	89.8	89.8	*4.6*	91.8	89.4	89.8	*4.7*	90.8	90.7	111
1984	99.0	95.0	94.3	*5.0*	97.0	93.6	94.1	*4.7*	95.4	95.3	106
1985	100.0	100.0	100.0	*6.1*	100.0	100.0	100.0	*6.3*	100.0	100.0	100
1986	92.4	104.3	103.4	*3.4*	103.3	103.5	103.3	*3.3*	103.2	103.2	97
1987	95.3	108.3	107.7	*4.2*	106.4	108.0	107.6	*4.1*	105.6	105.8	93
1988	96.4	113.2	113.0	*4.9*	110.1	113.6	112.9	*5.0*	109.5	109.8	88
1985 Q1	103.1	98.2	97.2	*5.5*	99.0	96.8	97.2	*5.8*	98.1	98.1	103
Q2	101.8	99.9	100.6	*7.0*	100.9	100.5	100.4	*7.3*	100.4	100.4	99
Q3	98.6	100.5	100.8	*6.3*	99.8	101.1	101.0	*6.6*	100.3	100.3	99
Q4	96.4	101.4	101.3	*5.5*	100.4	101.6	101.4	*5.6*	101.2	101.2	99
1986 Q1	94.5	102.8	102.1	*4.9*	102.1	102.0	102.0	*5.0*	102.2	102.1	98
Q2	91.8	104.2	103.4	*2.8*	103.9	103.2	103.1	*2.7*	103.4	103.3	97
Q3	90.4	104.6	103.5	*2.6*	103.5	103.5	103.4	*2.4*	103.4	103.4	97
Q4	92.8	105.5	104.8	*3.4*	103.6	105.1	104.8	*3.3*	103.8	103.9	95
1987 Q1	93.9	106.9	106.1	*3.9*	105.8	106.2	105.9	*3.8*	104.7	104.8	94
Q2	94.8	108.0	107.7	*4.2*	107.2	107.8	107.4	*4.1*	105.7	105.9	93
Q3	96.5	108.6	107.9	*4.3*	105.8	108.4	107.9	*4.4*	105.4	105.7	93
Q4	95.9	109.8	109.1	*4.1*	107.1	109.6	109.1	*4.1*	106.5	106.9	92
1988 Q1	95.7	111.0	109.6	*3.5*	108.9	109.9	109.4	*3.3*	107.4	107.8	91
Q2	98.4	112.6	112.3	*4.3*	110.1	112.7	112.1	*4.4*	109.2	109.5	89
Q3	99.9	113.9	113.8	*5.5*	109.9	114.6	113.9	*5.5*	110.0	110.3	88
Q4	99.7	115.2	116.2	*6.5*	111.3	117.2	116.4	*6.6*	113.3	111.6	86
1989 Q1	101.6†	116.8	118.1	*7.7*	113.5	119.0	118.1	*7.9*	112.8†	113.1†	85
1987 Apr	94.6	107.7	107.6	*4.2*	106.9	107.7	107.3	*4.1*	..	..	93
May	94.3	108.1	107.7	*4.1*	107.6	107.7	107.4	*4.1*	..	..	93
Jun	95.6	108.2	107.7	*4.2*	106.9	107.9	107.5	*4.3*	..	..	93
Jul	96.6	108.4	107.6	*4.4*	105.7	108.1	107.6	*4.4*	..	..	93
Aug	96.7	108.6	107.9	*4.4*	106.0	108.4	107.9	*4.4*	..	..	93
Sep	96.3	108.9	108.3	*4.2*	105.7	108.8	108.3	*4.3*	..	..	92
Oct	96.5	109.6	108.8	*4.5*	106.4	109.3	108.9	*4.6*	..	..	92
Nov	95.6	109.8	109.3	*4.1*	106.9	109.9	109.4	*4.2*	..	..	91
Dec	95.6	110.0	109.2	*3.7*	107.8	109.5	109.1	*3.6*	..	..	92
1988 Jan	95.4	110.6	109.2	*3.3*	108.3	109.4	109.1	*3.3*	..	..	92
Feb	95.7	111.0	109.6	*3.3*	109.1	109.9	109.4	*3.3*	..	..	91
Mar	96.0	111.4	110.1	*3.5*	109.4	110.3	109.8	*3.4*	..	..	91
Apr	96.9	112.2	111.9	*3.9*	109.9	112.2	111.6	*4.0*	..	..	89
May	98.2	112.6	112.3	*4.2*	110.2	112.6	112.0	*4.3*	..	..	89
Jun	100.1	113.0	112.7	*4.6*	110.3	113.1	112.6	*4.7*	..	..	89
Jul	100.5	113.5	112.8	*4.8*	109.5	113.5	112.9	*4.9*	..	..	89
Aug	99.8	113.9	114.1	*5.7*	109.9	114.8	114.1	*5.8*	..	..	88
Sep	99.3	114.3	114.6	*5.9*	110.3	115.5	114.8	*5.9*	..	..	87
Oct	99.0	114.9	115.8	*6.4*	110.4	116.9	115.9	*6.5*	..	..	86
Nov	99.7	115.2	116.3	*6.4*	111.3	117.4	116.5	*6.5*	..	..	86
Dec	100.3	115.4	116.6	*6.8*	112.1	117.5	116.7	*7.0*	..	..	86
1989 Jan	101.1	116.4	117.4	*7.5*	113.1	118.2	117.4	*7.6*	..	..	85
Feb	101.0	116.8	118.2	*7.8*	113.4	119.1	118.1	*8.0*	..	..	85
Mar	102.8†	117.2	118.7	*7.9*	114.0	119.6	118.7	*8.1*	..	..	84
Apr	104.4	117.8†	120.8†	*8.0†*	115.4†	121.9†	120.8†	*8.2†*	..	..	83†

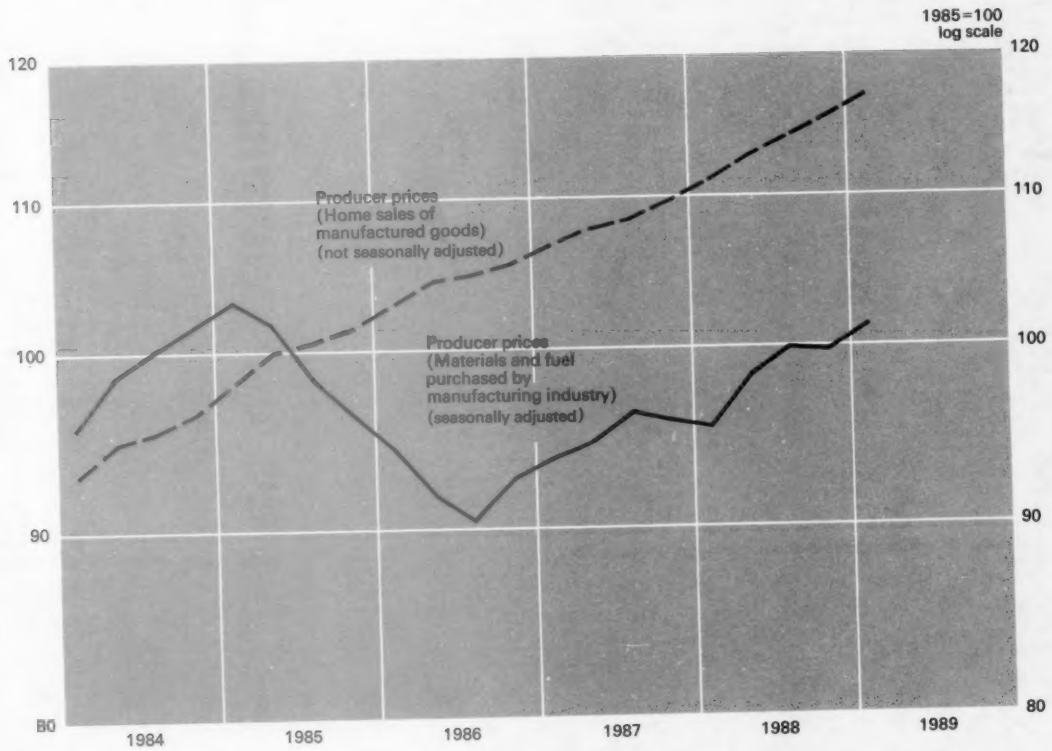
1 The index numbers given here are for comparative purposes only and should not be regarded as accurate to the last digit shown. The official Retail Prices Index series is shown in Table 1.

2 All items except housing.

3 Movements in the purchasing power of the pound are based on movements in the General index of retail prices.

Sources: Department of Trade and Industry; Department of Employment; Central Statistical Office


Prices
1985=100 not seasonally adjusted
log scale
140
130
120
110
100
90
80
General index
of retail prices
1984
1985
1986
1987
1988
1989


1985=100
log scale
120
110
100
90
80
Producer prices
(Home sales of
manufactured goods)
(not seasonally adjusted)
Producer prices
(Materials and fuel
purchased by
manufacturing industry)
(seasonally adjusted)
1984
1985
1986
1987
1988
1989

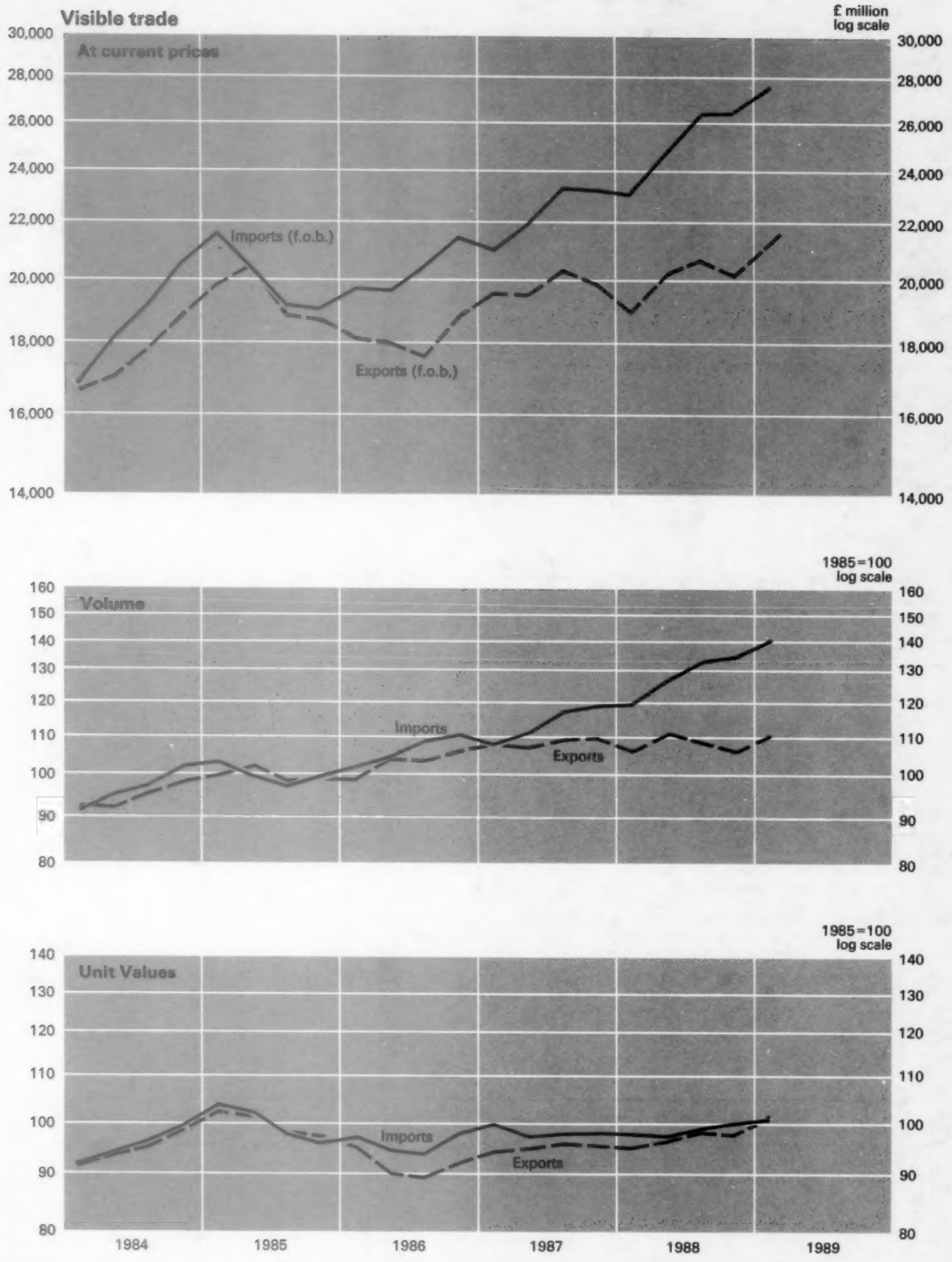
25 Visible trade (on a balance of payments basis)

1985 = 100

	Volume indices		Unit value indices (NSA)		
	Exports	Imports	Exports	Imports	Terms of trade[1]
	CGTR	CGTS	CGTO	CGTP	CGTQ
1981	83.3	75.9†	76.2	74.2	102.7
1982	85.6	80.1	81.4	80.2	101.5
1983	87.6	87.0	88.0	87.8	100.2
1984	94.7	96.9	95.0	95.5	99.5
1985	100.0	100.0	100.0	100.0	100.0
1986	103.6	106.9	91.8	96.0	95.6
1987	109.0	114.4	95.5	98.5	97.0†
1988	108.4	129.0	97.1	98.8	98.3
1986 Q2	104.5	104.7	90.2	94.5	95.4
Q3	103.8	109.2	89.4	94.0	95.1
Q4	106.9	110.9	92.3	98.1	94.1
1987 Q1	108.8	108.4	94.7	100.0	94.7
Q2	107.4	111.9	95.2	97.5	97.6
Q3	109.8	117.7	96.2	98.2	98.0
Q4	110.0	119.5	95.8	98.2	97.6
1988 Q1	106.3	119.8	95.4	98.1	97.2
Q2	111.4	127.7	96.5	97.7	98.8
Q3	109.3	133.7	98.6	99.2	99.3
Q4	106.6	135.0	98.0	100.0	98.0
1989 Q1	110.8†	140.6†	101.2	100.8†	100.4†
1986 May	104.4	105.5	89.7	94.2	95.3
Jun	104.4	106.9	90.2	93.8	96.2
Jul	107.2	108.5	88.8	93.3	95.1
Aug	99.0	110.7	89.2	93.6	95.3
Sep	105.2	108.5	90.2	95.2	94.7
Oct	106.4	111.5	92.1	97.2	94.8
Nov	107.4	112.1	92.2	98.0	94.1
Dec	107.0	109.1	92.6	99.1	93.4
1987 Jan	105.7	107.3	94.2	99.8	94.4
Feb	113.5	111.1	94.8	100.2	94.7
Mar	107.1	106.9	95.0	100.1	95.0
Apr	109.3	110.2	95.1	98.3	96.8
May	105.5	114.2	94.9	97.1	97.7
Jun	107.3	111.3	95.4	97.1	98.3
Jul	109.8	115.0	95.3	97.8	97.4
Aug	108.8	121.6	96.7	98.4	98.2
Sep	110.9	116.5	96.5	98.4	98.1
Oct	109.3	118.1	96.5	98.2	98.3
Nov	111.0	120.4	95.9	98.5	97.3
Dec	109.8	120.0	95.0	97.8	97.2
1988 Jan	106.6	120.9	95.0	97.7	97.2
Feb	104.3	120.3	95.5	98.1	97.4
Mar	107.9	118.2	95.7	98.6	97.0
Apr	110.7	126.0	96.6	98.2	98.4
May	109.2	127.2	96.5	97.5	98.9
Jun	114.3	130.0	96.5	97.5	99.0
Jul	107.0	141.5	97.8	99.0	98.8
Aug	106.8	127.6	99.3	99.2	100.0
Sep	114.1	131.9	98.6	99.5	99.1
Oct	103.7	139.6	98.0	100.2	97.8
Nov	107.1†	131.5	97.6	100.0	97.6
Dec	109.1	133.8	98.6	99.8	98.7
1989 Jan	115.0	145.4†	100.3	99.8†	100.4†
Feb	104.1	138.2	101.0	100.8	100.2
Mar	113.2	138.3	102.3	101.8	100.5
Apr	108.4	143.5	103.5†	102.5	100.9

1 Unit value index for exports expressed as a percentage of unit value index for imports.

Source: Department of Trade and Industry


Visible trade
£ million
log scale
At current prices
30,000
28,000
26,000
24,000
22,000
20,000
18,000
16,000
14,000
Imports (f.o.b.)
Exports (f.o.b.)
1985=100
log scale
Volume
160
150
140
130
120
110
100
90
80
Imports
Exports
1985=100
log scale
Unit Values
140
130
120
110
100
90
80
Imports
Exports
1984
1985
1986
1987
1988
1989

26 Measures of UK competitiveness in trade in manufactures

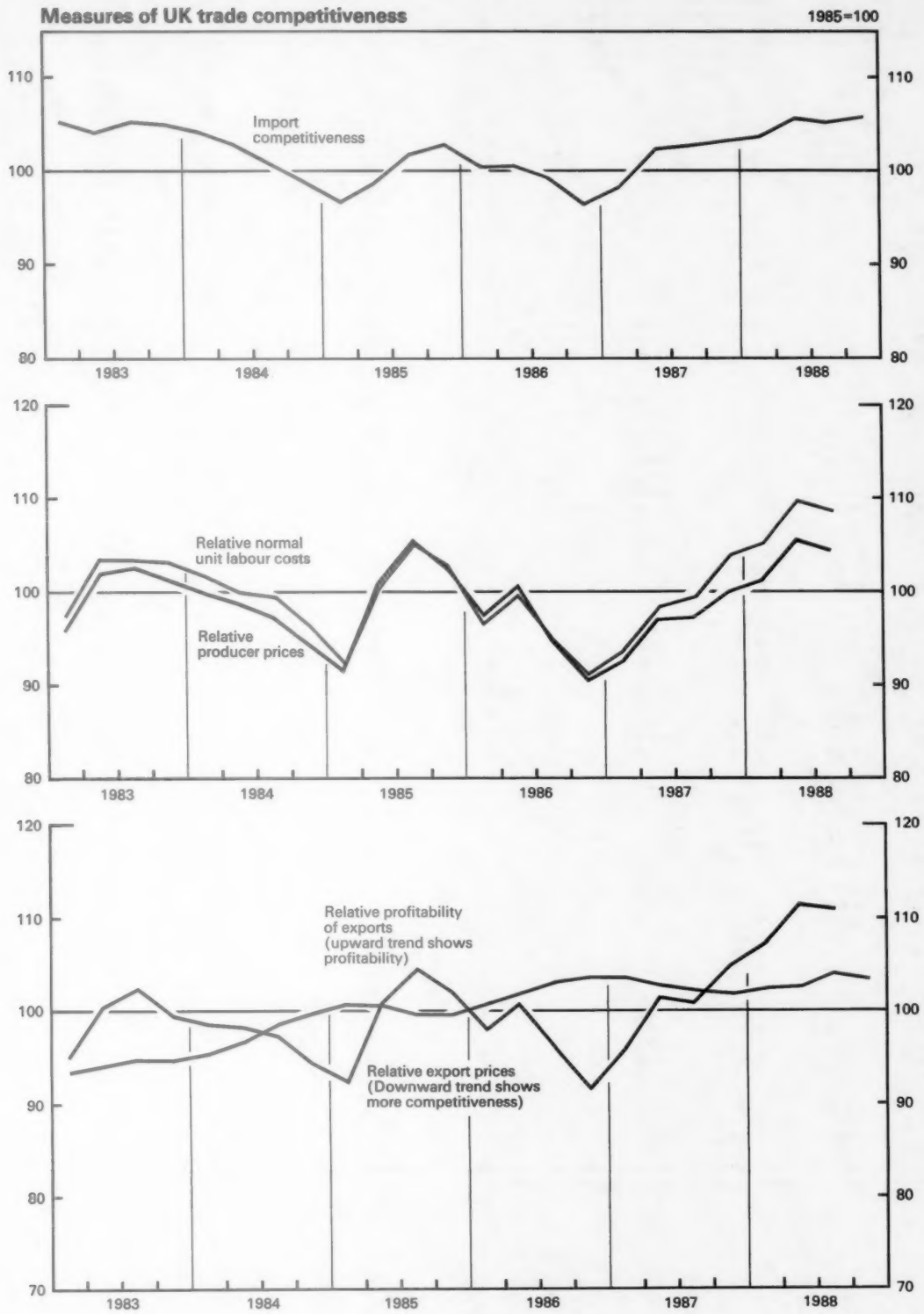
1985 = 100

	Summary measures						Export unit value index[2]				
	Relative export prices[1]	Relative producer prices[1]	IMF index of relative unit labour costs[2] Actual	Normalised	Import price competitiveness[3]	Relative profitability of exports[3]	United Kingdom	United States	Japan	France	Federal Republic of Germany
	FLAA	FLAB	FLAC	FLAD	FLAE	FLAF	FLAG	FLAH	FLAI	FLAJ	FLAK
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100	100	100	100
1986	97.1†	95.9†	93.0†	95.4	99.2	102.2	117.2	103	121	118†	133
1987	100.8	97.0	90.9	97.7†	101.5	102.3	136.8	105	131	136	156
1988	107.1	104.4	98.8	109.0	105.0	102.9	155.9	111†	147†	168	159†
1987 Q1	95.9	93.0†	87.3†	92.5†	98.3	103.3	127.4	104	126	133	154
Q2	101.3	97.4	91.0	97.8	102.1	102.4	136.7	105	131	136	154
Q3	100.9	97.6	90.5	97.8	102.5	101.8	135.3	107	132	134	153
Q4	104.9	100.2	94.7	102.5	103.2	101.6	147.7	105	137	142	163
1988 Q1	104.4†	101.3	97.5	105.5	103.9	102.1	153.6	106	144	181†	162
Q2	108.4	105.6	101.2	111.4	105.5	102.3	159.9	110	146	181	161†
Q3	106.2	104.4	97.7	108.7	105.2	103.9	150.6	113†	145†	169	151
Q4	109.3	106.2	98.8	110.3	105.5	103.2	159.6	115	154	143	163
1989 Q1	..	..	..	..	106.7†	103.6†	158.9†	..	..	..	..
Percentage change, quarter on corresponding quarter of previous year											
1987 Q1	*-2.3*	*-4.7*	*-10.3*	*-4.3*	*-2.2*	*2.7*	*12.3*	*3.0*	*10.5*	*12.7*	*24.2*
Q2	*0.3*	*-3.2*	*-7.2*	*-1.6*	*1.5*	*0.5*	*14.3*	*2.9*	*8.3*	*15.3*	*20.3*
Q3	*4.8*	*3.1*	*-1.0*	*3.4*	*3.2*	*-1.0*	*13.3*	*2.9*	*6.5*	*7.2*	*11.7*
Q4	*12.7*	*10.6*	*11.3*	*13.0*	*6.9*	*-1.7*	*26.8*	-	*10.5*	*29.1*	*14.8*
1988 Q1	*8.9*	*8.9*	*11.7*	*14.1*	*5.7*	*-1.2*	*20.6*	*1.9*	*14.3*	*36.1*	*5.2*
Q2	*7.0*	*8.4*	*11.2*	*13.9*	*3.3*	*-0.1*	*17.0*	*4.8*	*11.5*	*33.1*	*4.5*
Q3	*5.3*	*7.0*	*8.0*	*11.1*	*2.6*	*2.1*	*11.3*	*5.6*	*9.8*	*26.1*	*-1.3*
Q4	*4.2*	*6.0*	*4.3*	*7.6*	*2.2*	*1.6*	*8.1*	*9.5*	*12.4*	*0.7*	-
1989 Q1	..	..	..	..	*2.7*	*1.5*	*3.5*	..	..	..	..

	Producer price index[2]					Unit labour costs index[2]				
	United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom[4]	United States	Japan	France	Federal Republic of Germany
	FLAL	FLAM	FLAN	FLAO	FLAP	FLAQ	FLAR	FLAS	FLAT	FLAU
1985	100.0	100.0	100.0	100.0	100.0	100	100	100	100	100
1986	118.1	97.7†	131.2†	129.9	131.5†	118	93	138	131	133
1987	137.1	100.4	147.5	152.6	154.7	134	90	152	152	163
1988	155.8†	104.9	164.5	156.7†	160.3	150	90	164†	149†	167
1987 Q1	127.2	98.7	139.2†	148.4	150.9	126	90	148	151	159
Q2	136.9	99.9†	148.3	152.0	153.3	132	90	156	152	161
Q3	135.6†	101.0	145.3	150.0	151.1	132	90	148	149	159
Q4	148.6	101.9	156.9	159.9	163.4†	145	90	157	158	172
1988 Q1	154.0	102.8	164.6	162.3	166.3	150	90	164	156	175
Q2	160.4	104.4	167.1	160.8	164.3	156	90	168	154	171
Q3	149.3	105.8	158.4	148.5†	151.1	141	90	157†	140	155
Q4	159.5	106.7	167.8	155.1	159.6	152	90	169	145†	165†
Percentage change, quarter on corresponding quarter of previous year										
1987 Q1	*11.5*	*-0.1*	*15.0*	*19.7*	*22.1*	*8.6*	*-10.0*	*13.8*	*18.9*	*24.2*
Q2	*12.7*	*2.6*	*13.7*	*20.9*	*20.3*	*8.2*	-	*18.2*	*20.6*	*28.8*
Q3	*12.6*	*4.0*	*4.2*	*13.1*	*11.0*	*10.0*	-	*1.4*	*11.2*	*16.9*
Q4	*27.7*	*4.3*	*17.1*	*16.5*	*17.6*	*27.2*	-	*9.8*	*13.7*	*20.3*
1988 Q1	*21.1*	*4.2*	*18.2*	*9.4*	*10.2*	*19.0*	-	*10.8*	*3.3*	*10.1*
Q2	*17.2*	*4.5*	*12.7*	*5.8*	*7.2*	*18.2*	-	*7.7*	*1.3*	*6.2*
Q3	*10.1*	*4.8*	*9.0*	*-1.0*	-	*6.8*	-	*6.1*	*-6.0*	*-2.5*
Q4	*7.3*	*4.7*	*6.9*	*-3.0*	*-2.3*	*4.8*	-	*7.6*	*-8.2*	*-4.1*

1 Figures are base weighted using 1985 export data. Downwards movements indicate greater competitiveness.
2 All the indices are in terms of US dollars.
3 Excludes erratics (ships, North Sea installations, aircraft, precious stones and silver bullion).
4 The method for calculating whole economy unit wage costs is described in *Employment Gazette*, May 1986.

Sources: Department of Trade and Industry; Department of Employment; International Monetary Fund


Measures of UK trade competitiveness
1985=100
Import competitiveness
Relative normal unit labour costs
Relative producer prices
Relative profitability of exports (upward trend shows profitability)
Relative export prices (Downward trend shows more competitiveness)
1983
1984
1985
1986
1987
1988

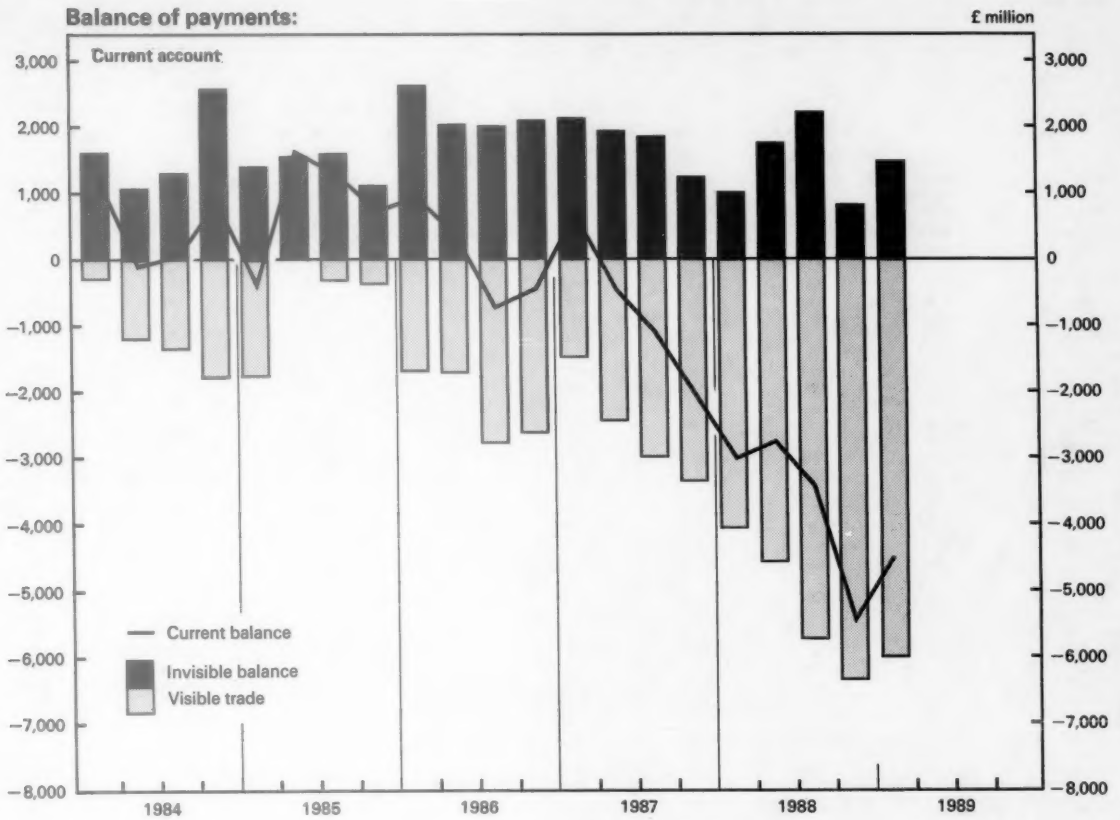
27 Balance of payments: current account

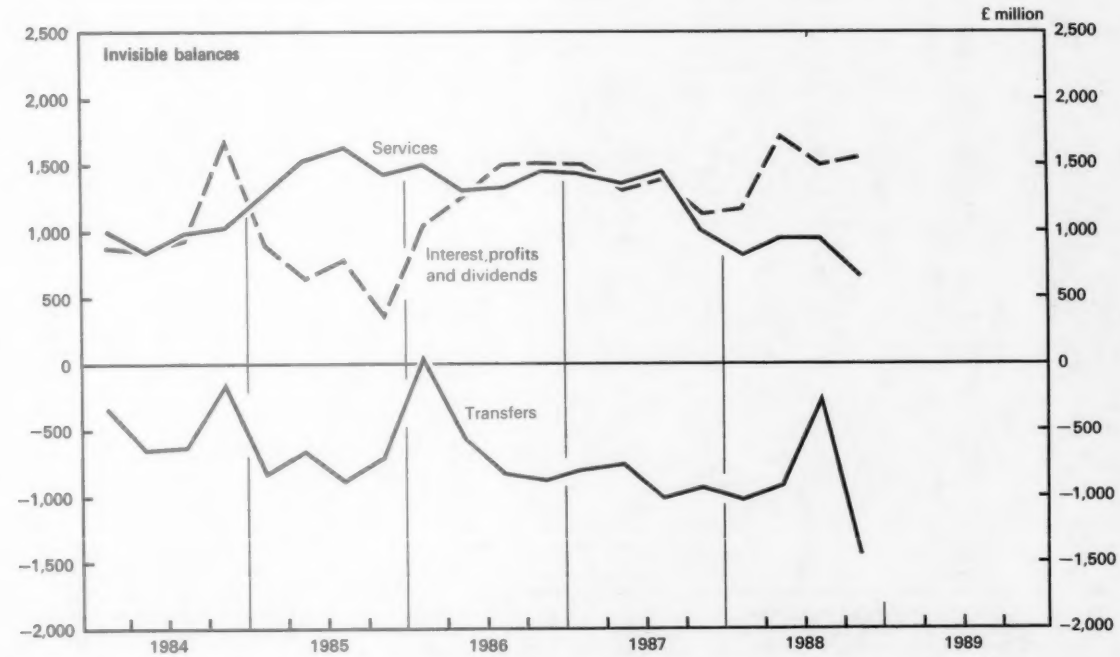
£ million

	Visible trade			Invisibles						
						Balances				
	Exports (f.o.b.)	Imports (f.o.b.)	Balance	Credits	Debits	Services	IPD	Transfers	Total[1]	Current balance
	CGKG	CGHK	AIMA	CGKR	CGHT	AIMC	AIMD	AIME	AIMB	AIMF
1978	34 981	36 574	-1 593	24 895	22 338	3 542	806	-1 791	2 557	964
1979	40 469	43 868	-3 398	33 339	30 437	3 907	1 205	-2 210	2 902	-496
1980	47 146	45 795	1 353	41 362	39 593	3 949	-196	-1 984	1 769	3 122
1981	50 667	47 319	3 350	57 347	53 761	3 923	1 210	-1 547	3 586	6 936
1982	55 329	53 112	2 218	65 483	63 016	2 762	1 446	-1 741	2 467	4 685
1983	60 697	61 775	-1 075†	66 058	61 090	3 721	2 847	-1 600	4 968†	3 893†
1984	70 263	74 845	-4 580	77 818	71 161	3 942	4 432	-1 717	6 657	2 077
1985	77 989	80 335	-2 346	80 722	75 021	5 962	2 747	-3 008	5 701	3 355
1986	72 654	81 356	-8 700	77 457	68 606	5 631	5 356	-2 136	8 851	151
1987	79 421†	89 594	-10 174	80 463	73 195	5 333	5 387	-3 452	7 268	-2 906
1988	80 157	100 714	-20 557	86 521	80 629	3 473	6 001	-3 582	5 892	-14 665
1984 Q2	17 010	18 205	-1 195	18 107	17 012	869	871	-645	1 095†	-100†
Q3	17 863	19 199	-1 336†	19 964	18 627	1 005	965	-633	1 337	1
Q4	18 810	20 574	-1 762	22 008	19 408	1 032	1 701	-133	2 600	838
1985 Q1	19 871	21 618	-1 747	21 648	20 243	1 305	907	-807	1 405	-342
Q2	20 486	20 438	48	20 516	18 926	1 568	665	-643	1 590	1 638
Q3	18 897	19 184	-287	19 630	18 053	1 643	800	-866	1 577	1 290
Q4	18 735	19 095	-360	18 928	17 799	1 446	375	-692	1 129	769
1986 Q1	18 129	19 787	-1 658	19 236	16 606	1 513	1 053	64	2 630	972
Q2	18 006	19 670	-1 664	18 864	16 803	1 311	1 281	-531	2 061	397
Q3	17 637	20 417	-2 780	19 415	17 382	1 336	1 505	-808	2 033	-747
Q4	18 882	21 482	-2 598	19 942	17 815	1 471	1 517	-861	2 127	-471
1987 Q1	19 608	21 075	-1 467	19 943	17 771	1 445	1 512	-785	2 172	705
Q2	19 565	21 967	-2 402	20 243	18 286	1 385	1 326	-754	1 957	-445
Q3	20 339	23 320	-2 981	20 493	18 619	1 473	1 401	-1 000	1 874	-1 107
Q4	19 907	23 231	-3 324	19 784	18 519	1 030	1 148	-913	1 265	-2 059
1988 Q1	19 042	23 063	-4 020	20 327	19 308	839	1 183	-1 003	1 019	-3 001
Q2	20 224	24 762	-4 538	21 246	19 452	972	1 729	-907	1 794	-2 744
Q3	20 718	26 414	-5 696	22 423	20 165	973	1 518	-233	2 258	-3 438
Q4	20 171	26 475	-6 304	22 525	21 704	689	1 571	-1 439	821	-5 483
1989 Q1	21 617†	27 476†	-5 859	..	..	..	..	..	1 500	-4 359
1987 Apr	6 520	7 158	-638	..	..	..	..	..	652	14
May	6 457	7 530	-1 073	..	..	..	..	..	653	-420
Jun	6 588	7 279	-692	..	..	..	..	..	652	-40
Jul	6 746	7 611	-865	..	..	..	..	..	625	-240
Aug	6 733	8 055	-1 322	..	..	..	..	..	624	-698
Sep	6 861	7 655	-794	..	..	..	..	..	625	-169
Oct	6 717	7 644	-927	..	..	..	..	..	422	-505
Nov	6 702	7 835	-1 133	..	..	..	..	..	421	-712
Dec	6 488	7 752	-1 263	..	..	..	..	..	422	-841
1988 Jan	6 371	7 823	-1 453	..	..	..	..	..	340	-1 113
Feb	6 207	7 714	-1 507	..	..	..	..	..	339	-1 168
Mar	6 465	7 525	-1 060	..	..	..	..	..	340	-720
Apr	6 733	8 146	-1 413	..	..	..	..	..	598	-815
May	6 592	8 219	-1 627	..	..	..	..	..	598	-1 029
Jun	6 898	8 396	-1 499	..	..	..	..	..	598	-901
Jul	6 721	9 287	-2 566	..	..	..	..	..	753	-1 813
Aug	6 784	8 441	-1 657	..	..	..	..	..	752	-905
Sep	7 213	8 687	-1 473	..	..	..	..	..	753	-720
Oct	6 567	9 223	-2 656	..	..	..	..	..	274	-2 382
Nov	6 702	8 588	-1 885	..	..	..	..	..	273	-1 612
Dec	6 902	8 665	-1 763	..	..	..	..	..	274	-1 489
1989 Jan	7 423†	9 424†	-2 001†	..	..	..	..	..	500	-1 501†
Feb	6 798	8 978	-2 180	..	..	..	..	..	500	-1 680
Mar	7 396	9 073	-1 677	..	..	..	..	..	500	-1 177
Apr	7 143	9 297	-2 155	..	..	..	..	..	500†	-1 655

1 Monthly data is one third of the appropriate calendar quarter's estimate or projection.

Source: Central Statistical Office


Balance of payments:
£ million
Current account
3,000
2,000
1,000
0
−1,000
−2,000
−3,000
−4,000
−5,000
−6,000
−7,000
−8,000
Current balance
Invisible balance
Visible trade
1984
1985
1986
1987
1988
1989


£ million
Invisible balances
2,500
2,000
1,500
1,000
500
0
−500
−1,000
−1,500
−2,000
Services
Interest, profits and dividends
Transfers
1984
1985
1986
1987
1988
1989

28 Sterling exchange rates and UK official reserves

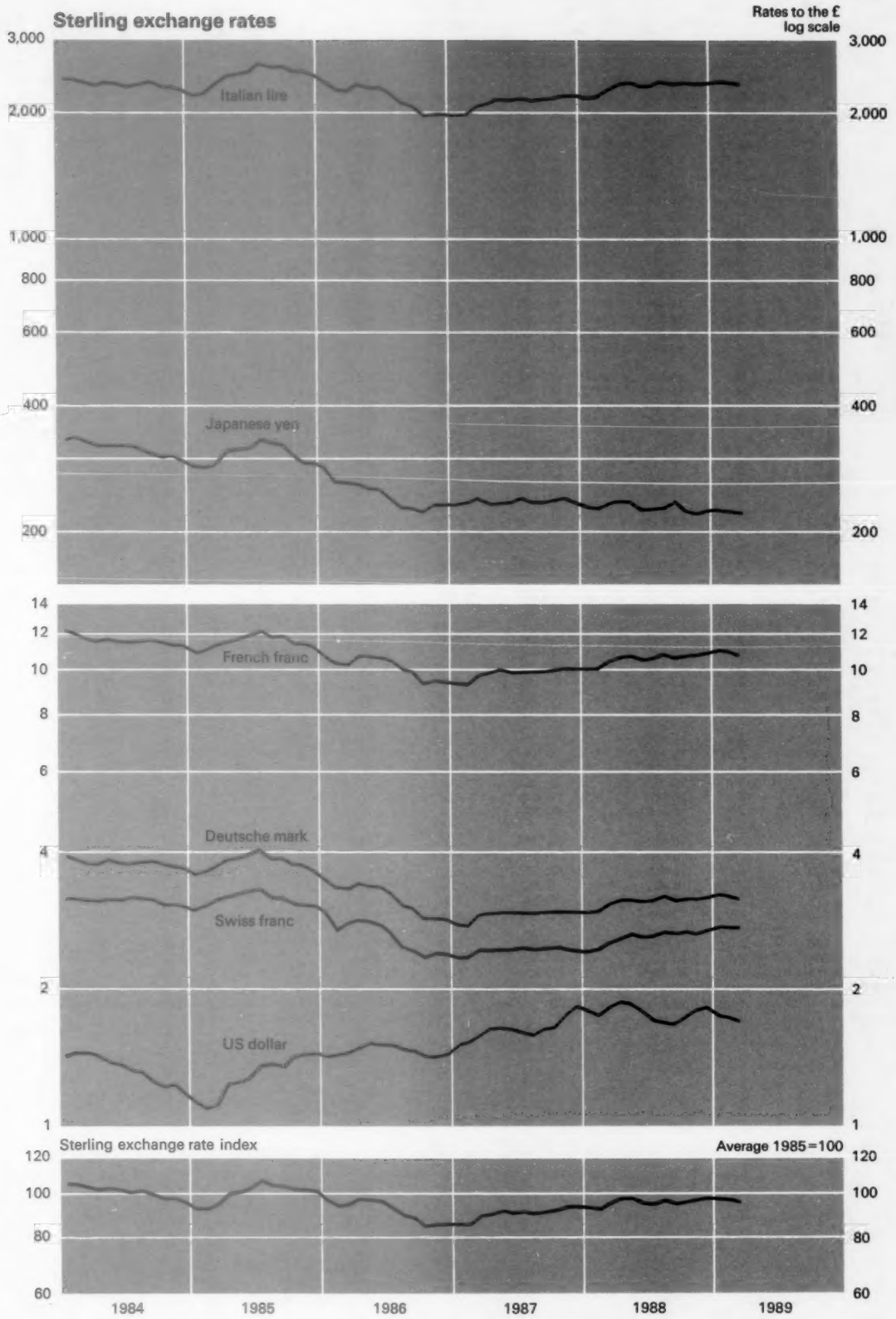
Not seasonally adjusted

	Sterling exchange rate against major currencies[1]						UK official reserves[2] at end of period ($ million)	Sterling exchange rate index (average 1985=100)
	Japanese yen	US dollar	Swiss franc	French franc	Italian lira	Deutsche-mark		
	AJFO	AJFA	AJFD	AJFE	AJFF	AJFH	AIPI	AJHV
1980	525.56	2.3281	3.8956	9.8252	1 992	4.227	27 476	117.7
1981	444.57	2.0254	3.9691	10.9353	2 288	4.556	23 347	119.0
1982	435.21	1.7489	3.5481	11.4851	2 364	4.243	16 997	113.7
1983	359.89	1.5158	3.1820	11.5469	2 302	3.870	17 817	105.3
1984	316.80	1.3364	3.1291	11.6365	2 339	3.790	15 694	100.6
1985	307.08	1.2976	3.1550	11.5495	2 463	3.784	15 543	100.0
1986	246.80	1.4672	2.6350	10.1569	2 186	3.183	21 923	91.5
1987	236.50	1.6392	2.4394	9.8369	2 123	2.941	44 326	90.1
1988	227.98	1.7796	2.6030	10.5969	2 315	3.124	51 685	95.5
1984 Q3	316.16	1.2993	3.1686	11.6207	2 333	3.786	15 260	99.9
Q4	299.42	1.2178	3.0609	11.3929	2 300	3.716	15 694	96.6
1985 Q1	287.14	1.1155	3.0684	11.0924	2 253	3.628	13 528	92.9
Q2	315.17	1.2577	3.2554	11.8272	2 474	3.878	14 318	101.0
Q3	328.10	1.3758	3.2339	11.9532	2 603	3.920	14 176	104.6
Q4	297.64	1.4356	3.0644	11.3248	2 514	3.711	15 543	101.4
1986 Q1	270.79	1.4391	2.8488	10.3829	2 303	3.382	18 750	95.0
Q2	256.40	1.5090	2.8132	10.7712	2 322	3.387	19 188	96.1
Q3	232.27	1.4891	2.5146	10.1009	2 140	3.109	22 426	90.2
Q4	229.22	1.4304	2.3783	9.3934	1 986	2.868	21 923	85.1
1987 Q1	236.20	1.5431	2.3848	9.4501	2 015	2.837	27 039	86.7
Q2	234.14	1.6410	2.4484	9.8908	2 134	2.964	34 364	90.4
Q3	237.82	1.6184	2.4670	9.9197	2 152	2.974	34 808	90.5
Q4	237.69	1.7535	2.4565	10.0821	2 188	2.989	44 326	92.7
1988 Q1	230.03	1.7972	2.4733	10.1923	2 221	3.013	47 519	93.5
Q2	231.18	1.8390	2.6114	10.6374	2 334	3.142	48 519	96.6
Q3	226.76	1.6951	2.6525	10.7159	2 349	3.165	50 482	95.2
Q4	224.05	1.7915	2.6755	10.8460	2 356	3.175	51 685	96.7
1989 Q1	224.37	1.7477	2.7624	10.9948	2 370	3.233	46 931	97.1
1986 Aug	229.18	1.4867	2.4701	9.9893	2 111	3.066	18 924	89.3
Sep	227.65	1.4716	2.4316	9.8324	2 073	3.003	22 426	88.0
Oct	223.15	1.4276	2.3437	9.3628	1 980	2.861	21 992	84.6
Nov	232.01	1.4253	2.4004	9.4327	1 996	2.884	22 006	85.5
Dec	233.22	1.4383	2.3950	9.3896	1 984	2.860	21 923	85.3
1987 Jan	232.94	1.5071	2.3482	9.3283	1 982	2.797	21 952	85.4
Feb	234.25	1.5271	2.3513	9.2774	1 981	2.785	22 257	85.4
Mar	241.07	1.5919	2.4502	9.7233	2 078	2.921	27 039	89.2
Apr	232.87	1.6299	2.4375	9.8295	2 106	2.952	29 807	89.9
May	234.13	1.6661	2.4507	9.9559	2 152	2.980	34 679	91.1
Jun	235.31	1.6293	2.4563	9.8904	2 143	2.962	34 364	90.3
Jul	241.83	1.6099	2.4719	9.9002	2 153	2.974	34 915	90.5
Aug	235.70	1.5975	2.4575	9.9034	2 149	2.967	34 365	90.0
Sep	235.56	1.6462	2.4703	9.9548	2 155	2.981	34 808	90.9
Oct	238.05	1.6621	2.4825	9.9964	2 164	2.992	41 399	91.4
Nov	240.34	1.7754	2.4531	10.1314	2 200	2.986	41 281	93.2
Dec	234.67	1.8273	2.4325	10.1226	2 201	2.987	44 326	93.6
1988 Jan	229.90	1.7981	2.4241	10.0461	2 189	2.977	43 093	92.8
Feb	226.97	1.7578	2.4462	10.0760	2 196	2.983	42 927	92.2
Mar	232.94	1.8324	2.5407	10.4256	2 272	3.072	47 519	95.3
Apr	234.43	1.8765	2.5967	10.6503	2 329	3.138	47 857	97.2
May	233.21	1.8694	2.6378	10.7196	2 353	3.166	48 533	97.6
Jun	226.52	1.7790	2.6001	10.5517	2 320	3.124	48 519	95.3
Jul	226.87	1.7042	2.6126	10.5953	2 328	3.144	49 826	94.7
Aug	227.09	1.6983	2.6895	10.8558	2 373	3.207	50 639	96.1
Sep	226.31	1.6833	2.6536	10.6910	2 344	3.142	50 482	94.8
Oct	223.87	1.7382	2.6744	10.7879	2 354	3.160	50 048	95.7
Nov	222.71	1.8090	2.6532	10.8030	2 350	3.162	51 040	96.6
Dec	225.71	1.8282	2.7013	10.9541	2 365	3.207	51 685	97.7
1989 Jan	225.78	1.7748	2.7695	11.0940	2 386	3.256	51 705	97.9
Feb	223.89	1.7541	2.7614	11.0494	2 376	3.245	51 683	97.3
Mar	223.43	1.7146	2.7562	10.8435	2 350	3.199	46 931	95.9
Apr	224.67†	1.7022†	2.8014†	10.7562†	2 333†	3.181†	47 256†	95.4†

1 Average of daily Telegraphic Transfer rates in London.

2 Apart from transactions, the level of official reserves is affected by changes in the dollar valuation of gold, Special Drawing Rights and convertible currencies. Since end-March 1979 these rates have been revised annually. These valuation changes are described in detail in the description of Table 10.3 in the *Financial Statistics Explanatory Handbook*, where the values of the annual changes are also shown.

Sources: Bank of England; HM Treasury


Sterling exchange rates
Rates to the £
log scale
3,000
2,000
1,000
800
600
400
200
Italian lire
Japanese yen
14
12
10
8
6
4
2
1
French franc
Deutsche mark
Swiss franc
US dollar
Sterling exchange rate index
Average 1985=100
120
100
80
60
1984
1985
1986
1987
1988
1989

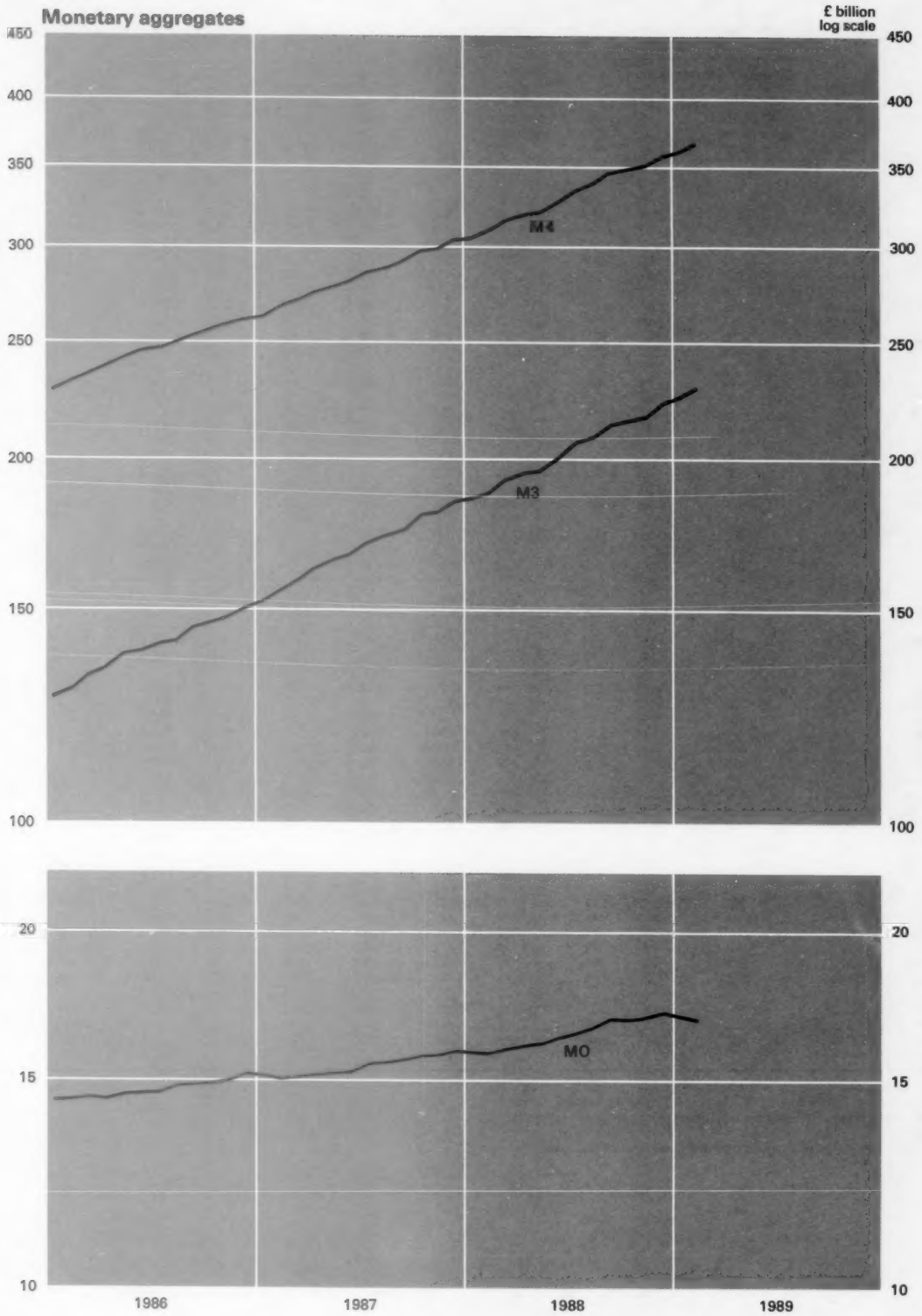
29 Monetary aggregates[1]

	M0				M3				M4			
	Amount outstanding[2] (NSA)				Amount outstanding (NSA)				Amount outstanding (NSA)			
	£ million	Annual percentage change	Amount outstanding (£ million)	Velocity of circulation: ratio	£ million	Annual percentage change	Amount outstanding (£ million)	Velocity of circulation: ratio	£ million	Annual percentage change	Amount outstanding (£ million)	Velocity of circulation: ratio
	AVAD	AVAK	AVAE	AVAM	AGAJ	AUZO	AGBC	AGBY	AUYM	AUZP	AUYN	AUYU
1985	14 095	*4.6*	14 095	25.19	126 974	*13.4*	124 918	3.03	225 291	*13.0*	225 205	1.67
1986	14 665	*4.0*	14 663	25.89	151 147†	*18.2*	150 604†	2.74	261 190†	*15.4*	261 377†	1.55
1987	15 338	*4.6*	15 354	27.07	185 623	*22.9*	184 697	2.48	303 941	*16.3*	304 321	1.47
1988	16 402	*6.9*	16 399	28.05	223 673	*20.4*	222 940	2.28	357 487	*17.6†*	358 000	1.39
1985 Q1	13 704	*5.4*	13 886	24.74	114 078	*11.5*	113 778	3.08	205 672	*13.8*	205 844	1.70
Q2	14 040	*5.4*	14 070	25.04	118 017	*11.4*	116 506	3.06	212 214	*12.8*	211 302	1.69
Q3	14 212	*4.4*	14 162	25.36	122 955	*13.7*	120 971	3.02	218 442	*13.4*	218 246	1.67
Q4	14 425	*3.3*	14 260	25.61	126 974	*13.4*	124 918	2.96	225 291	*13.0*	225 205	1.64
1986 Q1	14 255	*4.0*	14 404	25.72	133 378	*16.7*	132 797	2.89	235 823	*14.5*	235 997	1.61
Q2	14 464	*3.0*	14 521	25.87	140 325	*18.7*	139 461	2.75	245 851	*15.7*	245 363	1.56
Q3	14 782	*4.0*	14 729	25.82	146 485	*19.1*	145 187	2.68	252 987	*15.8*	252 594	1.53
Q4	15 159	*5.1*	14 999	26.13	151 147†	*18.2*	150 604†	2.65	261 190†	*15.4*	261 377†	1.52
1987 Q1	14 808	*3.9*	15 044	26.47	159 606	*19.2*	159 342	2.58	270 262	*14.1*	271 022	1.50
Q2	15 131	*4.6*	15 169	26.90	168 031	*19.3*	166 960	2.49	281 250	*13.9†*	280 628	1.47
Q3	15 519	*5.0*	15 469	27.45	176 014	*19.6*	174 526	2.47	292 059	*14.9*	291 742	1.48
Q4	15 894	*4.9*	15 736	27.47	185 623	*22.9*	184 697	2.39	303 941	*16.3*	304 321	1.45
1988 Q1	15 622	*5.5*	15 833	27.91	193 016	*20.8*	192 352	2.36	315 587	*16.8*	315 705	1.43
Q2	16 107	*6.4*	16 164	28.13	202 079	*20.2*	201 072	2.31	328 513	*16.8*	327 413	1.41
Q3	16 708	*7.6*	16 652	28.06	215 572	*22.5*	214 149	2.24	346 517	*18.7*	346 112	1.38
Q4	17 169	*8.0*	16 946	28.11	223 673	*20.4*	222 940	2.19	357 487	*17.6*	358 000	1.36
1989 Q1	16 732†	*7.1†*	16 894†	..	233 629	*21.1†*	233 277	..	372 480	*18.0*	373 773	..
Calendar month												
1987 Mar	14 809	*3.5*	15 050	..	159 606†	*19.2*	159 342†	..	270 262†	*14.1*	271 022†	..
Apr	15 134	*5.3*	15 115	..	162 817	*20.5*	163 099	..	273 825	*14.6†*	275 420	..
May	15 176	*4.4*	15 182	..	166 093	*19.0*	165 020	..	277 292	*13.8*	277 201	..
Jun	15 083	*4.2*	15 210	..	168 031	*19.3*	166 960	..	281 250	*13.9*	280 628	..
Jul	15 506	*5.3*	15 403	..	172 294	*20.9*	170 808	..	286 574	*14.9*	285 170	..
Aug	15 519	*4.5*	15 445	..	174 436	*22.2*	173 047	..	289 176	*15.6*	288 841	..
Sep	15 533	*5.2*	15 559	..	176 014	*19.6*	174 526	..	292 059	*14.9*	291 742	..
Oct	15 501	*5.5*	15 665	..	181 799	*22.5*	179 931	..	297 513	*15.8*	297 441	..
Nov	15 548	*4.9*	15 704	..	182 969	*21.5*	180 446	..	298 981	*15.2*	298 522	..
Dec	16 633	*4.2*	15 839	..	185 623	*22.9*	184 697	..	303 941	*16.3*	304 321	..
1988 Jan	15 639	*4.8*	15 797	..	183 707	*22.4*	185 930	..	304 438	*16.5*	305 113	..
Feb	15 477	*5.3*	15 784	..	184 380	*20.5*	187 762	..	305 826	*16.0*	309 825	..
Mar	15 751	*6.4*	15 919	..	193 016	*20.8*	192 352	..	315 587	*16.8*	315 705	..
Apr	16 025	*5.9*	16 031	..	194 484	*19.4*	195 271	..	317 522	*16.0*	319 206	..
May	16 048	*5.7*	16 147	..	197 046	*18.6†*	196 158	..	321 700	*16.0*	321 171	..
Jun	16 247	*7.7*	16 315	..	202 079	*20.2*	201 072	..	328 513	*16.8*	327 413	..
Jul	16 599	*7.0*	16 462	..	207 876	*20.8*	206 870	..	336 578	*17.4*	334 737	..
Aug	16 733	*7.8*	16 619	..	209 410	*20.0*	208 762	..	339 143	*17.3*	338 715	..
Sep	16 793	*8.1*	16 875	..	215 572	*22.5*	214 149	..	346 517	*18.7*	346 112	..
Oct	16 692	*7.7*	16 864	..	217 503	*19.6*	215 654	..	349 058	*17.3*	349 035	..
Nov	16 774	*7.9*	16 907	..	220 219	*20.4*	217 669	..	351 967	*17.7*	350 821	..
Dec	18 040	*8.5*	17 066	..	223 673	*20.4*	222 940	..	357 487	*17.6*	358 000	..
1989 Jan	16 876	*7.9*	16 936	..	223 464	*21.6*	225 725	..	359 580	*18.1*	360 400	..
Feb	16 504	*6.6*	16 833	..	225 984	*22.6*	229 508	..	362 562	*18.6*	367 159	..
Mar	16 815†	*6.8†*	16 913†	..	233 629	*21.1*	233 277	..	372 480	*18.0*	373 773	..

1 A fuller range of monetary aggregates is published monthly in *Financial Statistics*.

2 The monthly figures for M0 give the average of the amounts outstanding each Wednesday during the calendar month.

Source: Bank of England


Monetary aggregates
£ billion
log scale
450
400
350
300
250
200
150
100
M4
M3
20
15
10
M0
1986
1987
1988
1989

30 Counterparts to changes in money stock M3[1]

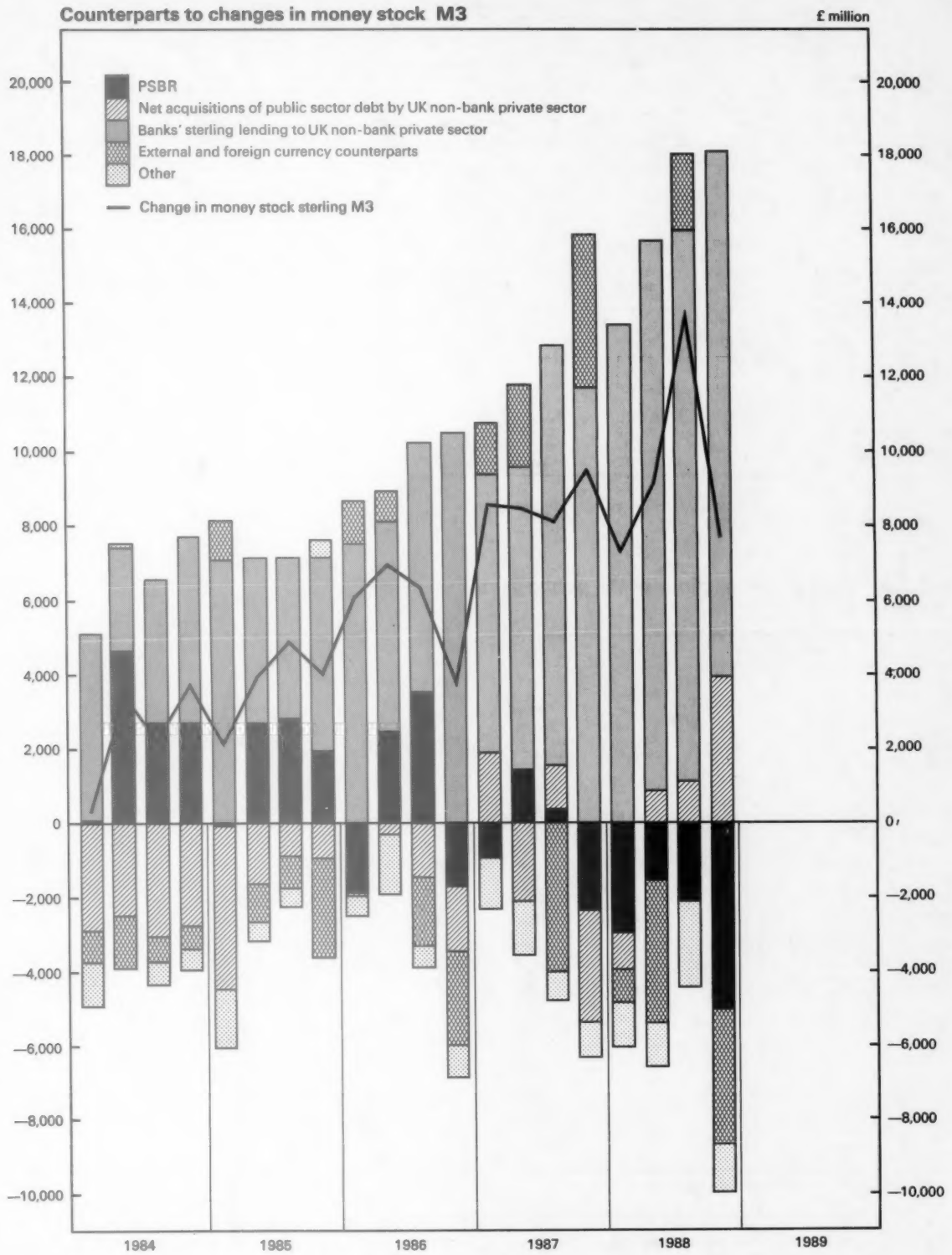
£ million, not seasonally adjusted

	Public Sector Borrowing Requirement	Purchases by UK non-bank private sector of: Central government debt: British government stocks	Central government debt: Other	Other public sector debt	External and foreign currency financing of public sector: Purchase of British government stocks by overseas sector	External and foreign currency financing of public sector: Other	Banks' sterling lending to UK non-bank private sector	External and foreign currency transactions of UK banks	Net non-deposit sterling liabilities	Domestic counterparts	External and foreign currency counterparts	M3
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*	*12*
	ABEN	-ABGN	ABHJ	AGFA	-AARC	AQGA	AGFD	AGFJ	AGGG	AGFE	AGFF	AGCJ
1985	7 476	-6 363	-2 893	1 466†	-2 920	-223	20 968	500	-3 013	20 653†	-2 643	14 997
1986	2 420	-3 340†	-2 467†	2 228	-2 104†	150†	30 449†	-444†	-3 767†	29 289	-2 396†	23 125†
1987	-1 454†	-1 445	-2 370	2 008	-4 075	11 520	38 692	-3 733	-4 606	35 457	3 712	34 563
1988	-11 662	2 982	-691	2 285	-400	4 193	57 275	-10 073	-6 054	50 188	-6 280	37 854
1985 Q1	-65	-3 655	-694	-22†	-716	-275	7 099	2 033	-1 593	2 663†	1 042	2 111
Q2	2 717	-960	-844	173	-1 277	471	4 406	246	-993	5 492	-560	3 939
Q3	2 837	-730	-618	495	-377	-45	4 309	-32	-916	6 293	-454	4 924
Q4	1 987	-1 018	-737	820	-550	-374	5 154	-1 747	489	6 205	-2 671	4 023
1986 Q1	-1 880	-92	-70†	101	-72	384	7 520	812	-571	5 581	1 124	6 135
Q2	2 472	-820†	-1 200	1 683	-767†	373	5 650	1 221	-1 661	7 784	827	6 950
Q3	3 531	-782	-799	107	-540	-455†	6 734	-874	-573	8 791	-1 867	6 349
Q4	-1 703	-1 646	-398	337	-725	-152	10 545†	-1 603†	-962†	7 133	-2 480†	3 691†
1987 Q1	-904†	1 529	-204	641	-602	1 347	7 501	665	-1 432	8 592	1 410	8 570
Q2	1 433	-1 636	-1 150	859	-1 150	4 023	8 179	-669	-1 465	7 685	2 204	8 424
Q3	393	1 064	-430	532	-2 211	260	11 253	-2 045	-772	12 809	-3 996	8 041
Q4	-2 376	-2 402	-586	-24	-112	5 890	11 759	-1 684	-937	6 371	4 094	9 528
1988 Q1	-2 952	-861	-183	-38	-76	1 643	13 524	-2 453	-1 322	9 490	-886	7 282
Q2	-1 573	367	-207	693	-445	659	14 741	-4 012	-1 112	14 021	-3 798	9 111
Q3	-2 108	828	-289	653	192	1 100	14 851	724	-2 301	13 936	2 016	13 651
Q4	-5 029	2 648	-12	977	-71	791	14 159	-4 332	-1 319	12 741	-3 612	7 810
1989 Q1	-5 681	5 748	218	-765	350	-165	14 977	-3 348	-1 362	14 607	-3 161	10 084
1987 May	-160	-832	-472	487	9	2 861	2 349†	-376†	-591†	1 374†	2 494†	3 277†
Jun	-418	-271	-601	98	-904	-589	4 713	835	-928	3 523	-658	1 937
Jul	-454†	667	-110	277	-1 234	399	4 600	-1 545	1 658	4 976	-2 380	4 254
Aug	620	243	-241	440	-495	-322	1 133	793	-29	2 195	-24	2 142
Sep	227	154	-79	-185	-482	183	5 520	-1 293	-2 401	5 638	-1 592	1 645
Oct	-978	-16	-92	-12	-841	3 770	2 964	626	363	1 867	3 555	5 785
Nov	-1 578	-1 665	-293	324	743	-183	3 304	167	352	91	727	1 170
Dec	180	-721	-201	-336	-14	2 303	5 491	-2 477	-1 652	4 413	-188	2 573
1988 Jan	-6 306	-499†	196	-82	-230†	342	4 937	-1 633	1 243	-1 754	-1 521	-2 032
Feb	-475	-769	-122	160†	-255	-39	2 621	-474	32	1 413	-768	677
Mar	3 829	407	-257	-116	409	1 340	5 966	-346	-2 597	9 831	1 403	8 637
Apr	-1 145	-808	-90	435	-279	311	4 147	-1 432	329	2 539	-1 400	1 468
May	-528	520	15	-62	-	257	3 188	-261	-569	3 133	-4	2 560
Jun	100	655	-132	320	-168	91	7 406	-2 319	-872	8 349	-2 394	5 083
Jul	-1 601	1 024	-294	197	-316	605	6 191	755	-764	5 517	1 044	5 797
Aug	-1 582	434	-60	445	-225	487	1 579	404	52	816	666	1 534
Sep	1 075	-630	65	11	733	8	7 081	-435	-1 589	7 603	306	6 320
Oct	-2 171	1 967	-125	392	-176	453	4 195	-2 454	-150	4 258	-2 177	1 931
Nov	-372	551	-169	306	34	432	3 107	-1 235	63	3 423	-769	2 717
Dec	-2 486	130	282	279	71	-94	6 857	-643	-1 232	5 060	-666	3 162
1989 Jan	-6 912	1 307	-7	-302	-306	754	5 466	-685	444	-416	-237	-209
Feb	-1 015	3 256	141	52	27	-453†	2 284	-2 114	439	4 748	-2 540	2 647
Mar	2 246	1 183	84†	-515	629	-466	7 227	-547	-2 245	10 275	-384	7 646
Apr	-774	..	..	..	..	..	..	..	..	..	..	..

For most periods the relationships between the columns are as follows: 10 = 1+2+3+4+7; 11 = 5+6+8; 12 = 9+10+11. Due to the inclusion of the latest PSBR information, the figures for more recent periods may not add exactly.

1 A wider range of figures is published monthly in *Financial Statistics*.

Source: Bank of England


Counterparts to changes in money stock M3
£ million
PSBR
Net acquisitions of public sector debt by UK non-bank private sector
Banks' sterling lending to UK non-bank private sector
External and foreign currency counterparts
Other
Change in money stock sterling M3
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
−2,000
−4,000
−6,000
−8,000
−10,000
1984
1985
1986
1987
1988
1989

31 General government receipts and expenditure

£ million, not seasonally adjusted

	General government									
	Receipts[1]		Expenditure							
			Goods and services		Current and capital transfers					
	Taxes and social security contributions	Trading income, rent, royalties, interest, etc.	Final consumption	Gross domestic capital formation	Current grants and subsidies	Capital transfers	Debt interest	Net lending etc[2]	Total	Public expenditure planning total
	ABKA	ABKB	AAXI	ABKC	ABKD	AAYG	AAXL	ABAA	ABAB	ABAZ
1986	143 845	13 001	79 612	6 773	59 164	3 120	17 129	-3 998†	161 800†	137 332†
1987	155 273	13 360	85 552	6 417	61 925	3 107	17 758	-6 351	168 408	142 841
1988	172 583	13 609	91 547	5 491	63 443	3 611	18 149	-5 145	177 096	149 755
1985 Q4	34 964	3 739	18 757	1 730	14 243	810	4 313	214	40 067	34 174
1986 Q1	37 911	3 439	20 411	2 673	14 328	949	4 821	-598†	42 584†	36 187†
Q2	32 995	3 200	19 378	1 251	14 694	659	3 728	-1 216	38 494	32 445
Q3	34 817	3 142	19 606	1 452	14 980	779	4 711	56	41 584	34 861
Q4	38 122	3 220	20 217	1 397	15 162	733	3 869	-2 240	39 138	33 839
1987 Q1	40 171	3 492	21 538	2 468	15 511	978	5 201	-523	45 173	37 961
Q2	34 794	3 195	20 664	987	15 545	620	3 590	-3 087	38 319	32 767
Q3	39 198	3 192	21 385	1 448	15 395	760	4 980	-1 552	42 416	35 436
Q4	41 110	3 481	21 965	1 514	15 474	749	3 987	-1 189	42 500	36 677
1988 Q1	45 690	3 624	22 903	2 542	16 401	972	5 122	652	48 592	40 818
Q2	38 658	3 217	22 232	917	15 730	616	3 688	-2 851	40 332	34 289
Q3	42 091	3 363	22 780	896	14 981	1 239	4 937	-1 631	43 202	35 689
Q4	46 144	3 405	23 632	1 136	16 331	784	4 402	-1 315	44 970	38 959

1 Excluding financial transactions.
2 Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc.(net).

Source: Central Statistical Office

32 Financial transactions of the public sector[1]

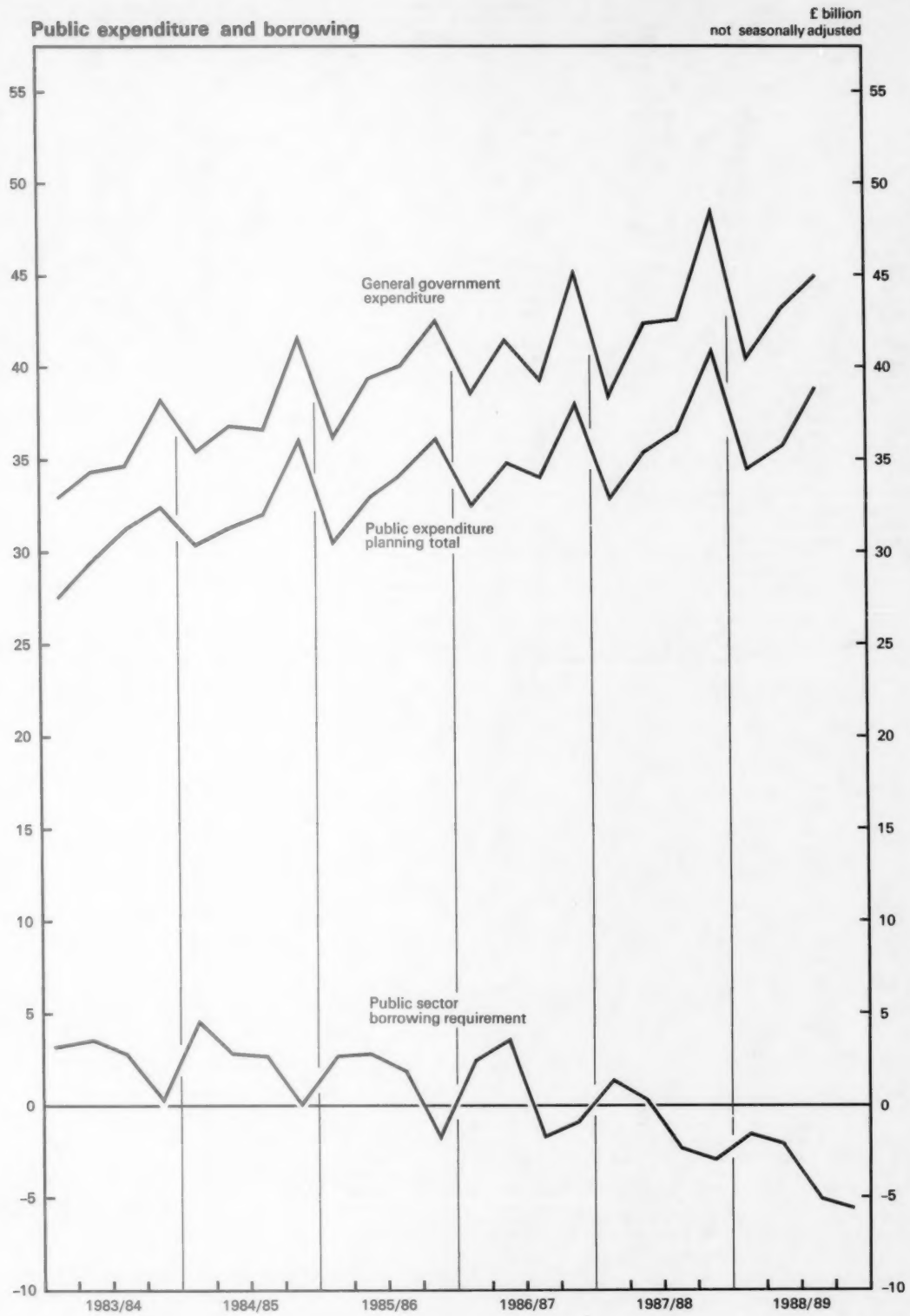
£ million, not seasonally adjusted

	Financial deficit[2]				Receipts						
					Borrowing requirement[5]						
	General government[3]	Public corporations	Total	Net lending etc, to private sector and overseas[4]	Central government (own account[6])	Local authorities	Public corporations	Total	Seasonally adjusted total[7]	Other financial transactions (net receipts)	Total
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*
	-AABC	-AABD	-AABE	ABKG	ABEB	ABEG	ABEM	ABEN	ABFB	ABKI	ABKH
1986	8 952	-1 100	7 852	-4 009†	2 475	655	-710	2 420	2 420	1 423†	3 843†
1987	6 126	-1 273	4 853	-6 005	-969†	819	-1 304†	-1 454†	-1 454†	302	-1 152
1988	-3 951	-1 800	-5 751	-5 953	-10 189	492†	-1 965	-11 662	-11 662	-42	-11 704
1986 Q2	3 515	-356	3 159	-1 006	3 063	-104	-487	2 472	911	-319	2 153
Q3	3 569	377	3 946	-41	3 621	131	-221	3 531	2 081	374	3 905
Q4	36	-679	-643	-2 242	-1 052	-668	17	-1 703	-1 016	-1 182	-2 885
1987 Q1	2 033	18	2 051	-591	-1 130†	791	-565	-904†	355†	2 364†	1 460
Q2	3 417	-474	2 943	-2 422	1 761	139	-467†	1 433	-394	-912	521
Q3	1 578	15	1 593	-1 680	358	255	-220	393	-101	-480	-87
Q4	-902	-832	-1 734	-1 312†	-1 958	-366	-52	-2 376	-1 314	-670	-3 046†
1988 Q1	-1 374	-109	-1 483	37	-3 405	1 209	-756	-2 952	-1 604	1 506	-1 446
Q2	1 308	-373	935	-2 699	-1 473	228†	-328	-1 573	-3 073	-191	-1 764
Q3	-621	-344	-965	-2 209	-1 700	-214	-194	-2 108	-2 958	-1 066	-3 174
Q4	-3 264	-974	-4 238	-1 082	-3 611	-731	-687	-5 029	-4 027	-291	-5 320
1989 Q1	..	..	..	..	-6 066	1 159	-774	-5 681	..	..	..
1989 Feb	..	..	..	..	-493†	-113†	-409†	-1 015†	..	..	..
Mar	..	..	..	..	1 461	1 214	-429	2 246	..	..	..
Apr	..	..	..	..	-1 158	857	-473	-774	..	..	..

The relationships between the columns are as follows: 1 + 2 = 3; 3 + 4 = 11; 5 + 6 + 7 = 8; 8 + 10 = 11.
1 Due to the inclusion of the latest PSBR figures this table may not be internally consistent.
2 The excess of current and capital expenditure over receipts.
3 Table 31, columns 3 to 7 *less* columns 1 and 2.
4 Including cash expenditure on company securities (net). Lending is shown positively; repayment is shown negatively.
5 Redefined: see article in *Economic Trends*, No. 364, February 1984.
6 Excluding borrowing matched by on-lending to local authorities and public corporations.
7 Calendar year constrained.

Source: Central Statistical Office

Public expenditure and borrowing



33 Summary capital accounts and financial surplus or deficit

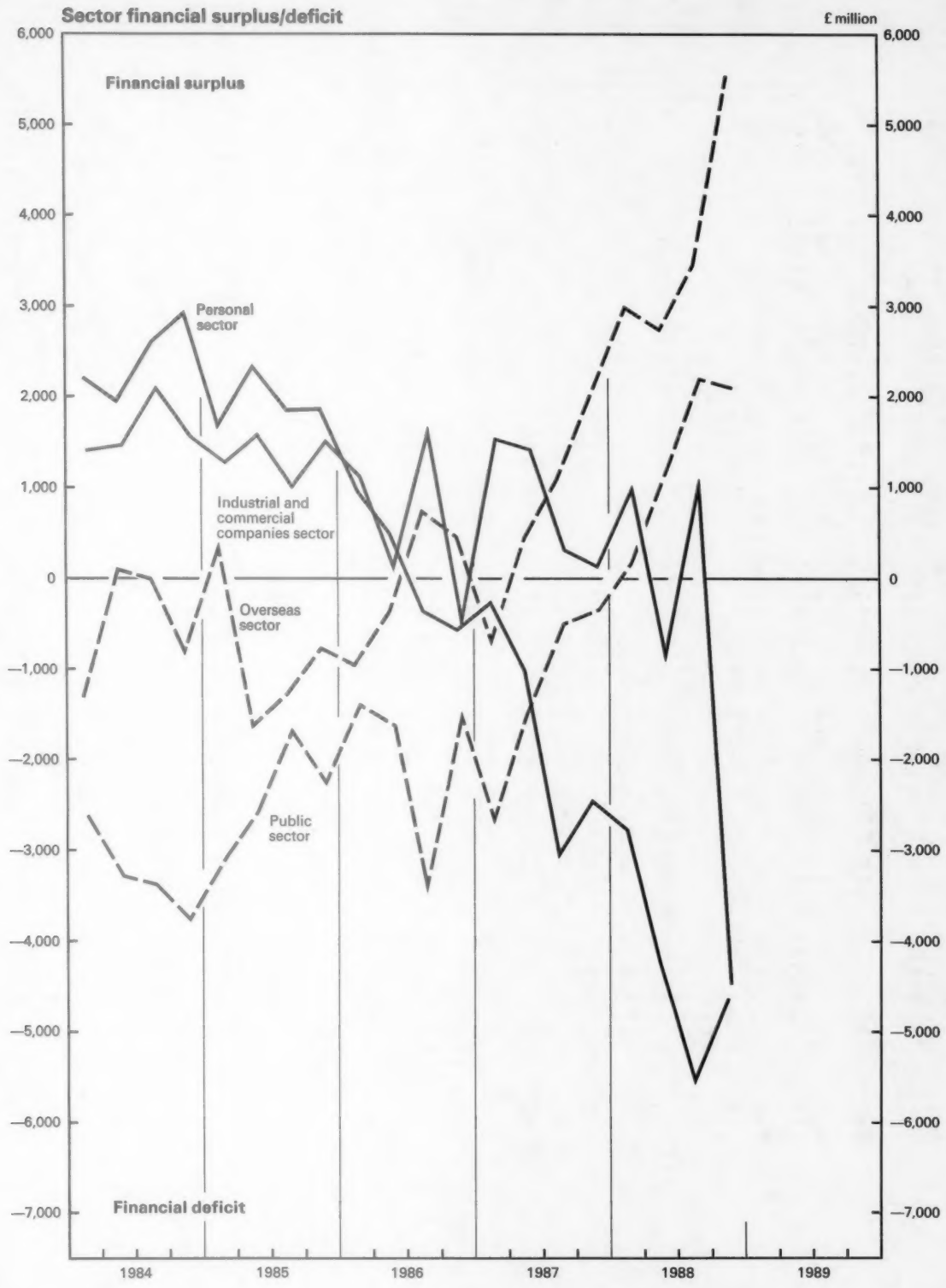
£ million

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
	ABKJ	ABKK	ABKL	AAUM	AAUN	GGCX	AAUQ	AAUR	GGCW
1984	2 260	-1 512	13 697	6 096	-64	7 048	31 302	217	24 917
1985	3 693	-398	12 776	8 513	-118	7 829	32 540	112	27 160
1986	4 107	203	12 162	11 908	-219	7 361	31 225	48	28 782
1987	5 010	971	10 834	13 331	-283	8 411	41 954	-362	37 993
1988	14 038	2 100	10 387	18 167	-400	11 570	41 967	-208	44 920
1984 Q3	498	-302	3 554	1 165	-16	1 827	7 966	50	5 906
Q4	174	-323	3 579	1 990	-16	1 941	8 671	39	7 115
1985 Q1	168	-164	3 098	1 928	-21	2 469	8 551	22	7 271
Q2	827	-143	3 227	1 748	-32	1 511	8 257	14	6 662
Q3	1 744	-66	3 309	2 285	-32	1 987	7 643	40	6 656
Q4	954	-25	3 142	2 552	-33	1 862	8 089	36	6 571
1986 Q1	1 621	-7	2 981	2 648	-120	1 968	7 429	84	6 353
Q2	1 646	14	3 255	2 870	-33	1 772	6 520	33	6 429
Q3	-411	47	3 036	2 964	-33	1 757	8 926	-16	7 251
Q4	1 251	149	2 890	3 426	-33	1 864	8 350	-53	8 749
1987 Q1	11	107	2 754	3 266	-50	1 839	9 859	-5	8 262
Q2	1 088	156	2 656	3 061	-77	2 059	10 912	-69	9 362
Q3	2 107	253	2 837	3 603	-61	1 960	11 046	-123	10 568
Q4	1 804	455	2 587	3 401	-95	2 553	10 137	-165	9 801
1988 Q1	2 687	510	3 017	3 877	-98	2 526	11 052	-201	9 832
Q2	3 519	471	2 800	4 385	-91	2 933	10 764	-135	11 476
Q3	4 310	119	2 192	4 845	-84	3 176	11 286	360	10 552
Q4	3 522	1 000	2 378	5 060	-127	2 935	8 865	-232	13 060

	Personal sector			Financial surplus/deficit[4]					
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[5]	Balancing item[6]
	AAUU	AAUV	GGCV	AAVE	AAVF	AAVG	AAVH	AAVI	AAVJ
1984	23 405	1 359	15 130	-12 949	-1 016	6 602	9 634	-2 077	-194
1985	23 269	404	15 903	-9 481	566	5 492	7 770	-3 355	-992
1986	3 306	-32	18 662	-7 852	4 328	2 491	612	-151	572
1987	15 420	-326	21 878	-4 853	4 637	3 599	-6 784	2 905	496
1988	12 345	-1 492	28 094	5 751	6 197	-3 161	-17 241	14 665	-6 211
1984 Q3	6 107	268	3 783	-3 358	-678	2 110	2 592	-1	-665
Q4	6 279	300	3 665	-3 728	33	1 595	2 914	-838	24
1985 Q1	5 524	163	3 996	-3 094	-562	1 302	1 691	342	321
Q2	6 332	161	4 157	-2 543	205	1 609	2 336	-1 638	31
Q3	5 592	58	3 783	-1 631	266	1 027	1 867	-1 290	-239
Q4	5 821	22	3 967	-2 213	657	1 554	1 876	-769	-1 105
1986 Q1	5 048	43	4 070	-1 367	560	1 160	1 021	-972	-402
Q2	5 072	-14	4 555	-1 595	1 065	124	503	-397	300
Q3	4 583	2	4 929	-3 400	1 174	1 659	-344	747	164
Q4	4 603	-63	5 108	-1 490	1 529	-452	-568	471	510
1987 Q1	4 770	-52	4 971	-2 636	1 377	1 592	-253	-705	625
Q2	4 474	-10	5 475	-1 412	925	1 481	-1 011	445	-428
Q3	2 883	-69	5 876	-477	1 582	355	-3 062	1 107	495
Q4	3 293	-195	5 556	-328	753	171	-2 458	2 058	-196
1988 Q1	3 364	-211	5 927	180	1 253	1 019	-2 774	3 002	-2 680
Q2	3 339	-245	7 371	1 190	1 361	-847	-4 277	2 744	-171
Q3	2 354	-395	7 503	2 237	1 585	1 094	-5 544	3 438	-2 810
Q4	3 288	-641	7 293	2 144	1 998	-4 427	-4 646	5 481	-550

1 Excluding financial transactions in writing-off debt.
2 Before providing for depreciation, stock appreciation and addition to reserves.
3 Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.
4 This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation, *less* increase in value of stocks and work in progress.
5 Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers.
6 For periods when the sector current and capital accounts are fully articulated, it is equal to the residual error in the national accounts.

Source: Central Statistical Office


Sector financial surplus/deficit
£ million
Financial surplus
Financial deficit
Personal sector
Industrial and commercial companies sector
Overseas sector
Public sector
6,000
5,000
4,000
3,000
2,000
1,000
0
—1,000
—2,000
—3,000
—4,000
—5,000
—6,000
—7,000
1984
1985
1986
1987
1988
1989

34 Appropriation account of industrial and commercial companies[1]

£ million

	Income								Allocation of income					Balance	
	Income arising in the United Kingdom								Dividends, interest and other transfer payments						
	Gross trading profits														
	Net of stock appreciation														
	N. Sea oil companies	Other companies	Total[2]	Stock appreciation	Before deducting stock appreciation	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Total income	Dividends on ordinary shares[3]	Other[3,4]	Profits due abroad (net of UK tax)	UK taxes on income: payments[5]	Undistributed income[6]	Undistributed income adjusted for unremitted profits[6,7]
	CIDT	CIDU	AIAO	AIAP	AIAQ	AIAR	AIAS	AIAN	AIAU	AIAV	AIAW	AIAY	AAUQ	AIAZ
1979	5 255	18 562	23 817	7 408	31 225	2 923	5 651	39 799	3 471	6 346	3 711	4 245	22 026	22 975
1980	8 056	17 656	25 712	5 394	31 106	3 637	5 085	39 828	3 234	8 841	4 424	5 705	17 624	18 383
1981	10 864	17 146	28 010	5 064	33 074	4 316	5 723	43 113	3 303	9 485	4 182	7 676	18 467	18 187
1982	12 726	21 303	34 029	3 511	37 540	4 501	5 647	47 688	4 057	10 432	3 973	9 198	20 028	19 489
1983	15 683	24 696	40 379	3 619	43 998	4 905	6 811	55 714	4 840	9 452	4 631	10 923	25 868	24 921
1984	19 009	27 748	46 757	4 117	50 874	5 526	8 814	65 214	5 040	10 645	5 536	12 691	31 302	28 701
1985	18 365	37 405	55 770	2 209	57 979	7 100	8 713	73 792	6 971	12 606	6 395	15 280	32 540	31 399
1986	8 421	43 232	51 653	1 639	53 292	7 402	8 006	68 700	9 000	11 321	4 334	12 820	31 225	28 675
1987	9 524	51 607	61 131	4 321	65 452	7 942	11 933	85 327	11 893	11 724	6 250	13 506	41 954	38 177
1988	6 903	61 809	68 712	5 230	73 942	9 070	13 024	96 036	17 739	14 791	6 454	15 085	41 967	38 497
1981 Q1	2 395	3 731	6 126	1 073	7 199	939	1 359	9 497	812	2 189	903	1 732	3 861	3 442
Q2	2 731	3 787	6 518	1 450	7 968	961	1 240	10 169	820	2 216	760	1 645	4 728	4 275
Q3	2 862	4 550	7 412	1 343	8 755	1 178	1 410	11 343	813	2 381	1 069	1 890	5 190	5 003
Q4	2 876	5 078	7 954	1 198	9 152	1 238	1 714	12 104	858	2 699	1 450	2 409	4 688	5 467
1982 Q1	2 634	4 405	7 039	929	7 968	1 184	1 349	10 501	1 170	2 592	1 008	2 122	3 609	3 133
Q2	3 069	5 762	8 831	759	9 590	1 158	1 342	12 090	999	2 712	927	2 464	4 988	4 811
Q3	3 512	5 302	8 814	900	9 714	1 075	1 351	12 140	971	2 573	930	2 457	5 209	5 042
Q4	3 511	5 834	9 345	923	10 268	1 084	1 605	12 957	917	2 555	1 108	2 155	6 222	6 503
1983 Q1	3 628	5 313	8 941	1 115	10 056	1 209	1 575	12 840	981	2 464	926	2 882	5 587	5 296
Q2	3 725	6 125	9 850	857	10 707	1 190	1 532	13 429	1 241	2 348	1 292	2 342	6 206	6 191
Q3	4 193	6 423	10 616	1 123	11 739	1 250	1 982	14 971	1 291	2 340	1 067	2 089	8 184	7 943
Q4	4 137	6 835	10 972	524	11 496	1 256	1 722	14 474	1 327	2 300	1 346	3 610	5 891	5 491
1984 Q1	4 211	6 607	10 818	863	11 681	1 322	1 959	14 962	1 106	2 298	1 372	2 894	7 292	7 292
Q2	4 715	6 403	11 118	1 378	12 496	1 274	1 933	15 703	1 362	2 514	1 471	2 963	7 373	7 354
Q3	4 901	7 277	12 178	759	12 937	1 481	2 517	16 935	1 253	2 958	1 518	3 240	7 966	7 590
Q4	5 182	7 461	12 643	1 117	13 760	1 449	2 405	17 614	1 319	2 875	1 175	3 574	8 671	6 485
1985 Q1	5 139	8 675	13 814	1 131	14 945	1 787	2 359	19 091	1 392	3 390	1 756	4 002	8 551	8 488
Q2	4 997	9 001	13 998	395	14 393	1 799	2 407	18 599	1 737	3 232	1 710	3 663	8 257	7 843
Q3	4 094	9 564	13 658	245	13 903	1 748	2 237	17 888	2 018	2 981	1 420	3 826	7 643	7 291
Q4	4 135	10 165	14 300	438	14 738	1 766	1 710	18 214	1 824	3 003	1 509	3 789	8 089	7 777
1986 Q1	3 136	10 541	13 677	-506	13 171	1 868	1 592	16 631	1 973	2 917	956	3 356	7 429	7 157
Q2	1 704	11 098	12 802	66	12 868	1 780	1 950	16 598	2 303	2 664	1 083	4 028	6 520	6 216
Q3	1 633	10 485	12 118	850	12 968	1 793	2 216	16 977	2 156	2 722	1 042	2 131	8 926	8 459
Q4	1 948	11 108	13 056	1 229	14 285	1 961	2 248	18 494	2 568	3 018	1 253	3 305	8 350	6 843
1987 Q1	2 476	12 075	14 551	824	15 375	2 023	2 724	20 122	3 028	2 909	1 555	2 771	9 859	8 828
Q2	2 370	12 928	15 298	1 384	16 682	1 885	2 989	21 556	2 726	2 859	1 475	3 584	10 912	9 663
Q3	2 504	13 505	16 009	1 168	17 177	1 997	3 154	22 328	2 946	3 008	1 599	3 729	11 046	9 827
Q4	2 174	13 099	15 273	945	16 218	2 037	3 066	21 321	3 193	2 948	1 621	3 422	10 137	9 859
1988 Q1	1 987	15 759	17 746	689	18 435	1 979	2 754	23 168	3 829	3 040	1 526	3 721	11 052	9 911
Q2	1 816	14 681	16 497	1 597	18 094	1 992	3 234	23 320	3 707	3 166	1 513	4 170	10 764	9 736
Q3	1 710	16 137	17 847	1 425	19 272	2 426	3 497	25 195	4 489	4 053	1 816	3 551	11 286	10 322
Q4	1 390	15 232	16 622	1 519	18 141	2 673	3 539	24 353	5 714	4 532	1 599	3 643	8 865	8 528

1 Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987 and British Steel from 2 December 1988.

2 Before providing for depreciation.

3 Dividend payments on ordinary and preference shares are net of tax; the advance corporation tax in respect of those dividends is included in UK taxes on income. Excludes dividend and debenture interest paid by UK subsidiaries to their overseas parents.

4 Including royalties and licence fees on oil and gas production.

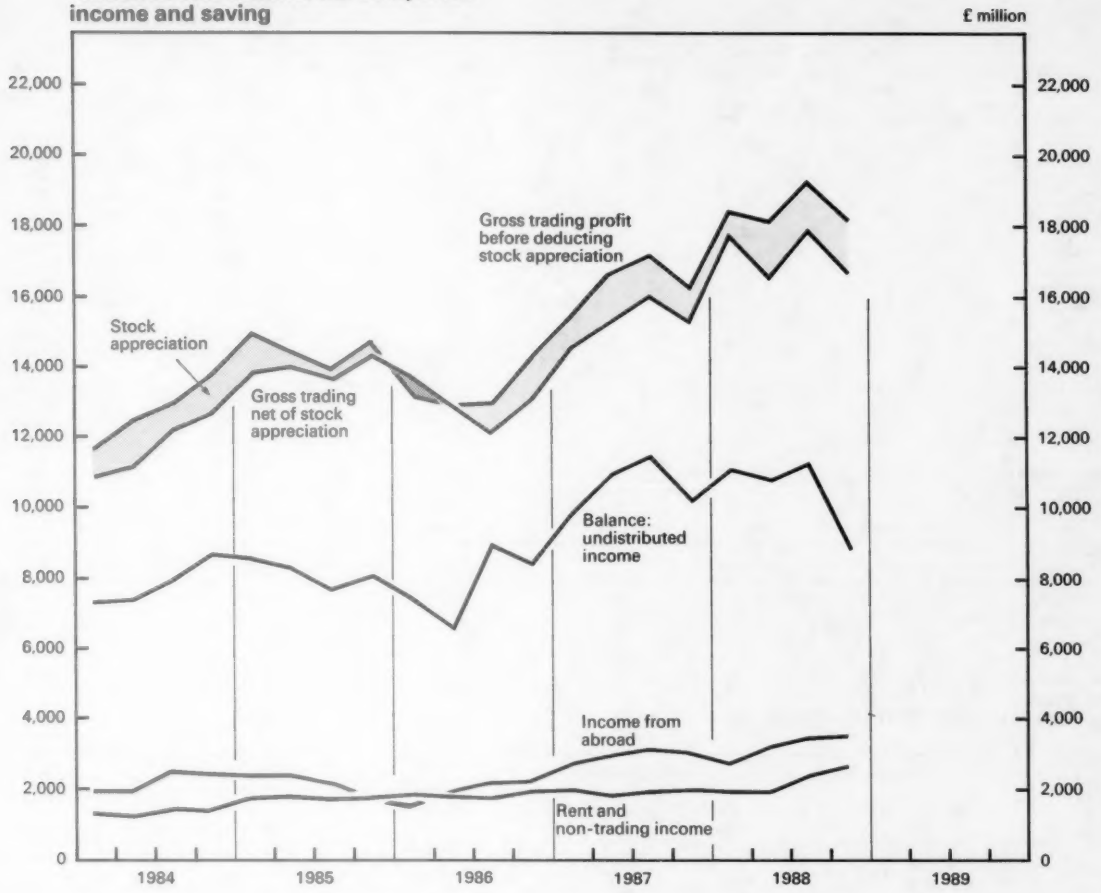
5 Mainly payments of corporation tax (including advance corporation tax) and petroleum revenue tax.

6 Before providing for depreciation, stock appreciation and additions to reserves.

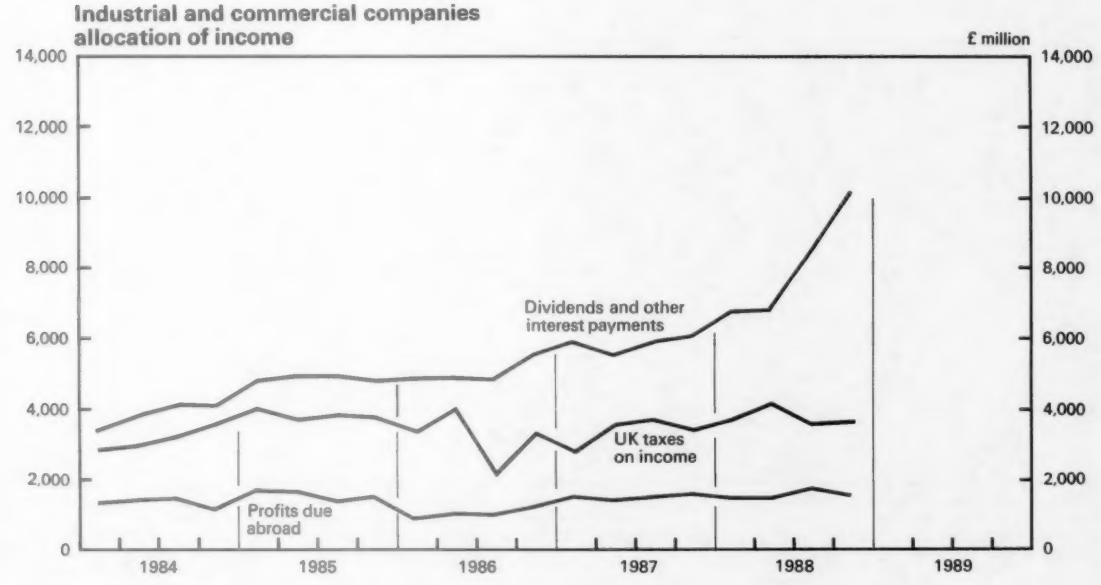
7 Excludes profits retained abroad by overseas subsidiaries of UK companies. Includes profits retained in the United Kingdom by subsidiaries of overseas companies.

Source: Central Statistical Office

Industrial and commercial companies income and saving



Industrial and commercial companies allocation of income



35 Capital account and financial surplus/deficit of industrial and commercial companies[1]

£ million

	Receipts					Expenditure				
	Undistributed income	Stock appreciation	Undistributed income less stock appreciation	Capital transfers	Total receipts[2]	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Taxes on capital and other capital transfers	Total expenditure	Balance: financial surplus/deficit
	AAUQ	AIAP	FMBC	CIDZ	FMBA	AAUS	FMBG	FMBH	FMBF	AAVG
1986	31 225	1 639	29 586	719	30 305	26 336	807	671	27 814	2 491
1987	41 954	4 321	37 633	512	38 145	32 195	1 477	874	34 546	3 599
1988	41 967	5 230	36 737	1 021	37 758	37 375	2 315	1 229	40 919	-3 161
1985 Q2	8 257	395	7 862	98	7 960	6 007	280	84	6 351	1 609
Q3	7 643	245	7 398	151	7 549	6 257	154	111	6 522	1 027
Q4	8 089	438	7 651	157	7 808	6 271	-138	121	6 254	1 554
1986 Q1	7 429	-506	7 935	163	8 098	6 450	409	79	6 938	1 160
Q2	6 520	66	6 454	209	6 663	6 271	92	176	6 539	124
Q3	8 926	850	8 076	185	8 261	6 814	-413	201	6 602	1 659
Q4	8 350	1 229	7 121	162	7 283	6 801	719	215	7 735	-452
1987 Q1	9 859	824	9 035	154	9 189	7 184	254	159	7 597	1 592
Q2	10 912	1 384	9 528	135	9 663	7 906	72	204	8 182	1 481
Q3	11 046	1 168	9 878	113	9 991	8 346	1 054	236	9 636	355
Q4	10 137	945	9 192	110	9 302	8 759	97	275	9 131	171
1988 Q1	11 052	689	10 363	108	10 471	8 897	246	309	9 452	1 019
Q2	10 764	1 597	9 167	117	9 284	9 319	560	252	10 131	-847
Q3	11 286	1 425	9 861	658	10 519	9 311	-184	298	9 425	1 094
Q4	8 865	1 519	7 346	138	7 484	9 848	1 693	370	11 911	-4 427

1 Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987 and British Steel from 2 December 1988.

2 After deducting stock appreciation but before providing for depreciation.

Source: Central Statistical Office

36 Financial transactions including net borrowing requirement of industrial and commercial companies[1]

£ million

	Transactions leading to net borrowing requirement						Financing of net borrowing requirement[4]				
							Borrowing from		Financial assets		
	Financial surplus/deficit	Net unremitted profits[2]	Net identified trade and other credit[3,4]	Investment in UK company securities[5]	Investment abroad	Balancing item	Banks[6]	Other	Liquid	Other	Net borrowing requirement (NBR)
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*
	AAVG	-AICX	-AIDL	-AICC	-AIDC	-AAOB	-AANA	-AICT	-AICU	-AICV	-AICW
1985	5 492	-1 141	-767	-2 995	-3 904	-3 857	7 704	5 077	-4 888	-721	7 172
1986	2 491	-2 550	-852†	-1 977	-5 221	-2 994†	9 419	11 910	-11 176	950	11 103
1987	3 599	-3 777	-964	-3 179	-15 181	-4 052	12 992	23 188	-9 841	-2 785	23 554
1988	-3 161	-3 470	-2 098	-11 579	-8 950	-12 327	29 728	16 576	-5 103	384	41 585
			-ABKP			-AIDD	-AIDF	-AIDJ	-AIDG		-AIDI
1985 Q1	1 302	-63	65†	-834	-1 777	-73†	1 934	2 155	-1 867	-842	1 380
Q2	1 609	-414	-618	-1 024	-798	-2 728	1 831	819	-202	1 525	3 973
Q3	1 027	-352	471	-679	-574	801	2 117	896	-1 528	-2 179	-694
Q4	1 554	-312	-699	-458	-755	-1 843	1 822	1 207	-1 291	775	2 513
1986 Q1	1 160	-272	926	-320	458	-4 071	2 099	1 857	-1 912	75	2 119
Q2	124	-304	-975	-588	-296	1 607	898	3 766	-4 174	-58	432
Q3	1 659	-467	-677	-441	-2 562	644	1 668	2 650	-4 927	2 453	1 844
Q4	-452	-1 507	-112	-628	-2 821	-1 188	4 754	3 637	-163	-1 520	6 708
1987 Q1	1 592	-1 031	541	-273	-2 522	311	1 772	3 116	-2 557	-949	1 382
Q2	1 481	-1 249	-598	-1 294	-4 584	1 556	2 286	5 232	-1 597	-1 233	4 688
Q3	355	-1 219	1	-508	-6 401	-4 852	4 655	10 020	-1 891	-160	12 624
Q4	171	-278	-880	-1 104	-1 674	-1 095	4 039	4 820	-3 556	-443	4 860
1988 Q1	1 019	-1 141	422	-3 675	-716	-5 427	7 765	4 047	-2 356	62	9 518
Q2	-847	-1 028	-1 072	-1 595	-3 162	-4 698	7 451	4 132	464	355	12 402
Q3	1 094	-964	-65	-3 287	-1 796	-4 038	7 745	3 533	-2 856	636	9 058
Q4	-4 427	-337	-1 441	-3 022	-3 274	1 432	7 469	4 864	-595	-669	11 069

1 Inflows(+), outflows(-); relationships between columns: 1+2+3+4+5+6+7+8+9+10 = zero; 7+8+9+10 = 11.

2 Retained in UK (+); retained abroad (-).

3 Includes accruals adjustment.

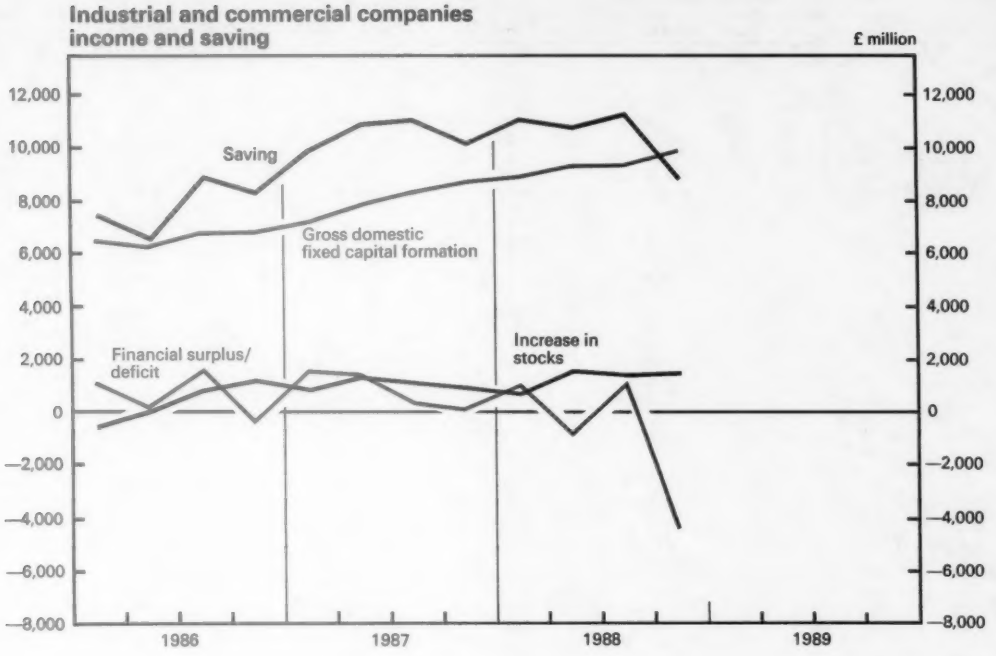
4 Seasonal adjustments include day-of-week adjustments. The quarterly figures therefore do not always sum to the annual totals.

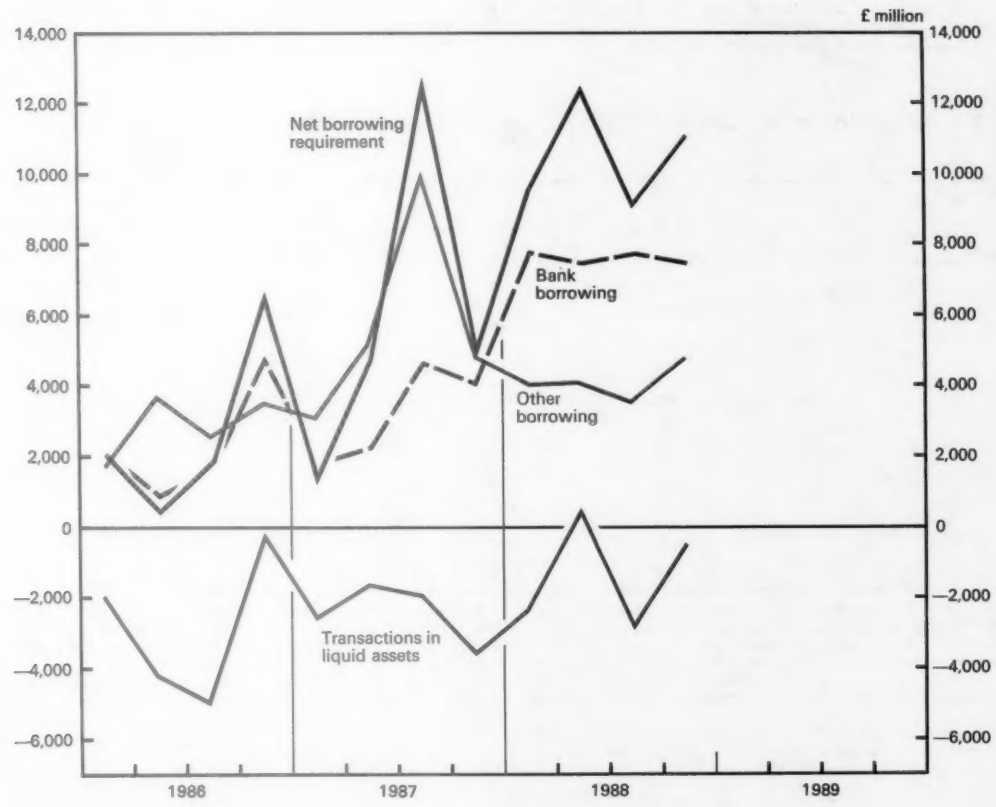
5 Cash expenditure on subsidiaries and trade investments in the United Kingdom.

6 Includes Bank of England Issue Department transactions in commercial bills.

Source: Central Statistical Office

Industrial and commercial companies income and saving





37 UK banks' lending to UK residents[1]

£ million

	Lending to public sector			Lending to private sector		
	Sterling	Other currencies	Total	Sterling	Other currencies	Total
Transactions						
	AEBT	AECC	FPAA	AECI	AECO	FPAD
1984	631	291	922	16 541	4 904	21 445
1985	-2 092	404	-1 688	20 968	4 742	25 710
1986	-954	30	-924	30 446	8 252	38 701†
1987	59	-347	-288	38 432	10 580†	49 012
1988	-1 500†	-566	-2 066†	56 694	9 609	67 124
1984 Q1	1 213	-36	1 066	2 569	1 102	5 438
Q2	-2 580	43	-2 307	4 953	808	3 970
Q3	1 038	115	1 042	2 502	1 047	4 861
Q4	960	169	1 121	4 642	1 947	7 178
1985 Q1	-3 653	89	-3 586	7 687	3 227	9 531
Q2	-1 815	35	-1 801	5 042	1 382	6 305
Q3	1 723	22	1 724	3 974	-806	3 629
Q4	1 653	258	1 975	3 103	939	6 245
1986 Q1	72	1	51	7 768	2 362	8 900
Q2	-1 420	-69	-1 510	7 500	1 575	8 045
Q3	-383	195	-210	7 386	3 688	10 608
Q4	777	-97	745	7 325†	627	11 148†
1987 Q1	651	220	854	9 649	7 136	13 858
Q2	-2 775	28	-2 764	11 166	4 739	13 668
Q3	-176	-80	-273	11 137	-1 156†	10 272
Q4	2 359	-515	1 895	10 210	-159	11 214
1988 Q1	510†	-761	-269†	10 680	1 802	14 571
Q2	-3 268	-130	-3 415	16 979	1 632	17 135
Q3	-1 222	1	-1 239	15 834	3 033	18 267
Q4	2 480	324	2 857	12 561	3 142	17 151
1989 Q1	-2 337	-197†	-2 552	17 564	6 480	20 673

1 Seasonally adjusted data are shown on a calendar year basis whereas data in Tables 1, 29 and 30 are on a financial year basis. The quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.

Source: Bank of England

38 UK banks' loans, advances and acceptances to UK residents[1]

£ million

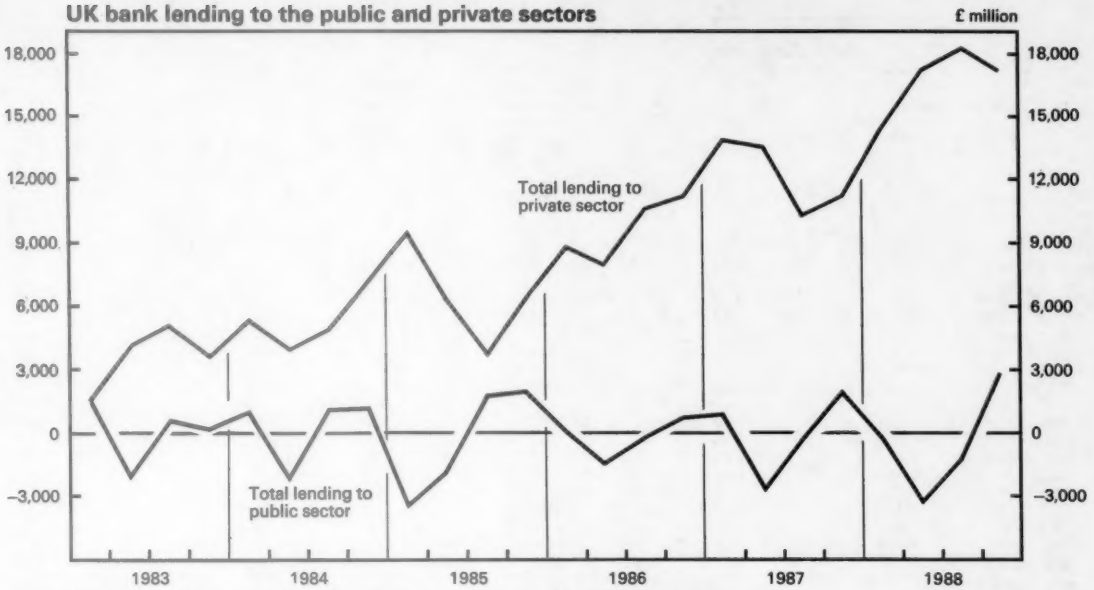
	Manufacturing	Other production	Financial	Services	Persons	Total loans, advances and acceptances
Amounts outstanding (February 1989):	41 936	22 752	88 647	92 881	80 512	326 726
Changes						
	FRAB	FRAC	FRAD	FRAE	FRAF	FRAA
1986 May	518	-213	3 883	3 509	1 882	9 582
Aug	358	487	1 849	2 320	2 784	7 796
Nov	1 193	-570	2 715[2]	-6 554[2]	1 759	11 264
1987 Feb	964	988	6 502	2 132	2 016	12 584
May	-1 035	1 673	7 258	3 386	3 517	14 801
Aug	578	-436	2 901	2 190	4 533	9 767
Nov	858	-228	3 514	4 264	4 513	12 919
1988 Feb	1 493	724	-1 324	5 215	3 109	9 217
May	2 537	892	2 194	4 823	4 430	14 876
Aug	4 347	751	838	4 788	5 548	16 271
Nov	2 820	1 483	5 697	6 475	3 866	20 341
1989 Feb	881	1 365	6 480	8 162	2 268	19 156

1 For a more detailed breakdown of these figures see *Financial Statistics* Table 6.6. The analysis covers loans, advances and acceptances in both sterling and foreign currencies (changes in the latter being adjusted for exchange rate movements) provided by banks to their customers and therefore does not include funds placed through the local authority money market or funds lent to monetary sector institutions. Acceptances are not granted to persons.

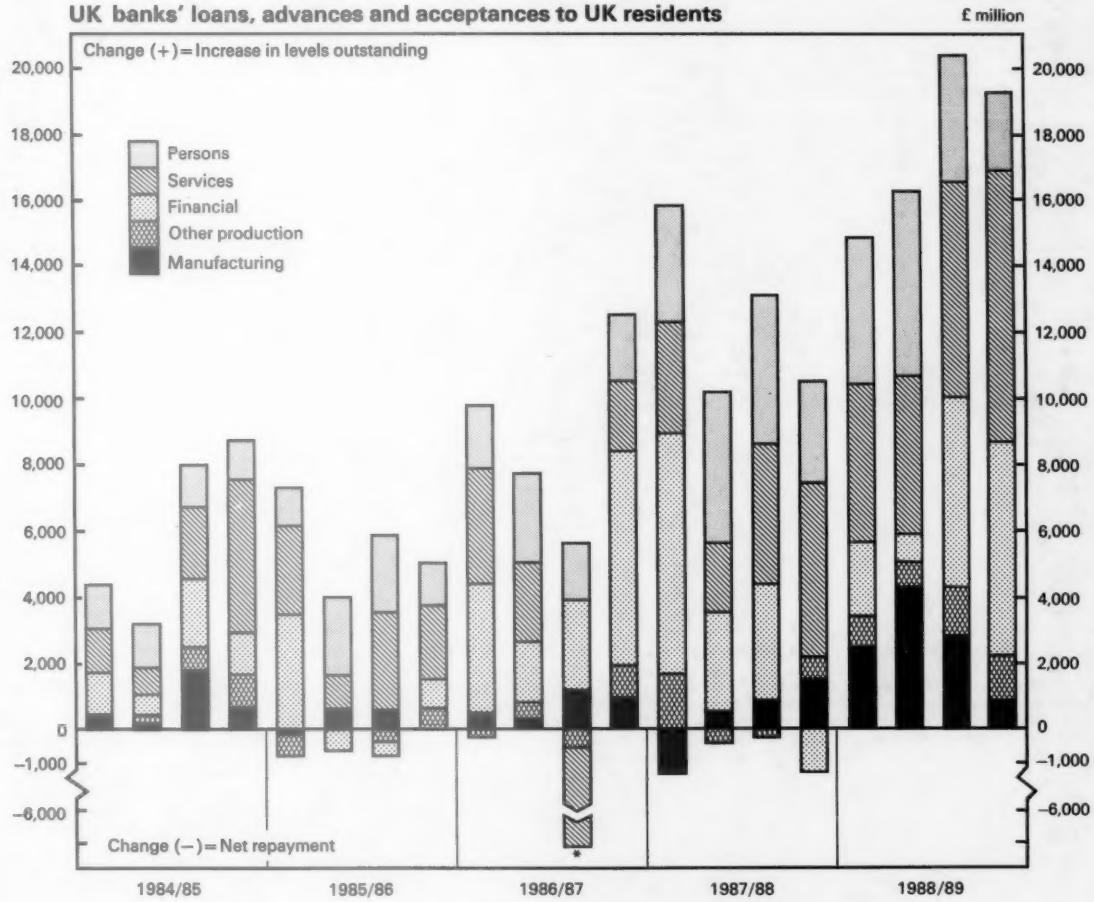
2 From November 1986 lending to securities dealers, stockbrokers and stockjobbers (including money placed with Stock Exchange money brokers and gilt-edged market makers) is included within the financial sector. Such lending was previously included in the services sector. Whilst the effect of this reclassification can be seen in the change shown for the services sector in the period August-November 1986, it is not possible to reflect it in the financial sector for the same period because the amount of outstanding lending to securities dealers etc. at August 1986 is not known.

Source: Bank of England

UK bank lending to the public and private sectors



UK banks' loans, advances and acceptances to UK residents



* See footnote [2] page 66 lower table

39 Interest rates, security prices and yields

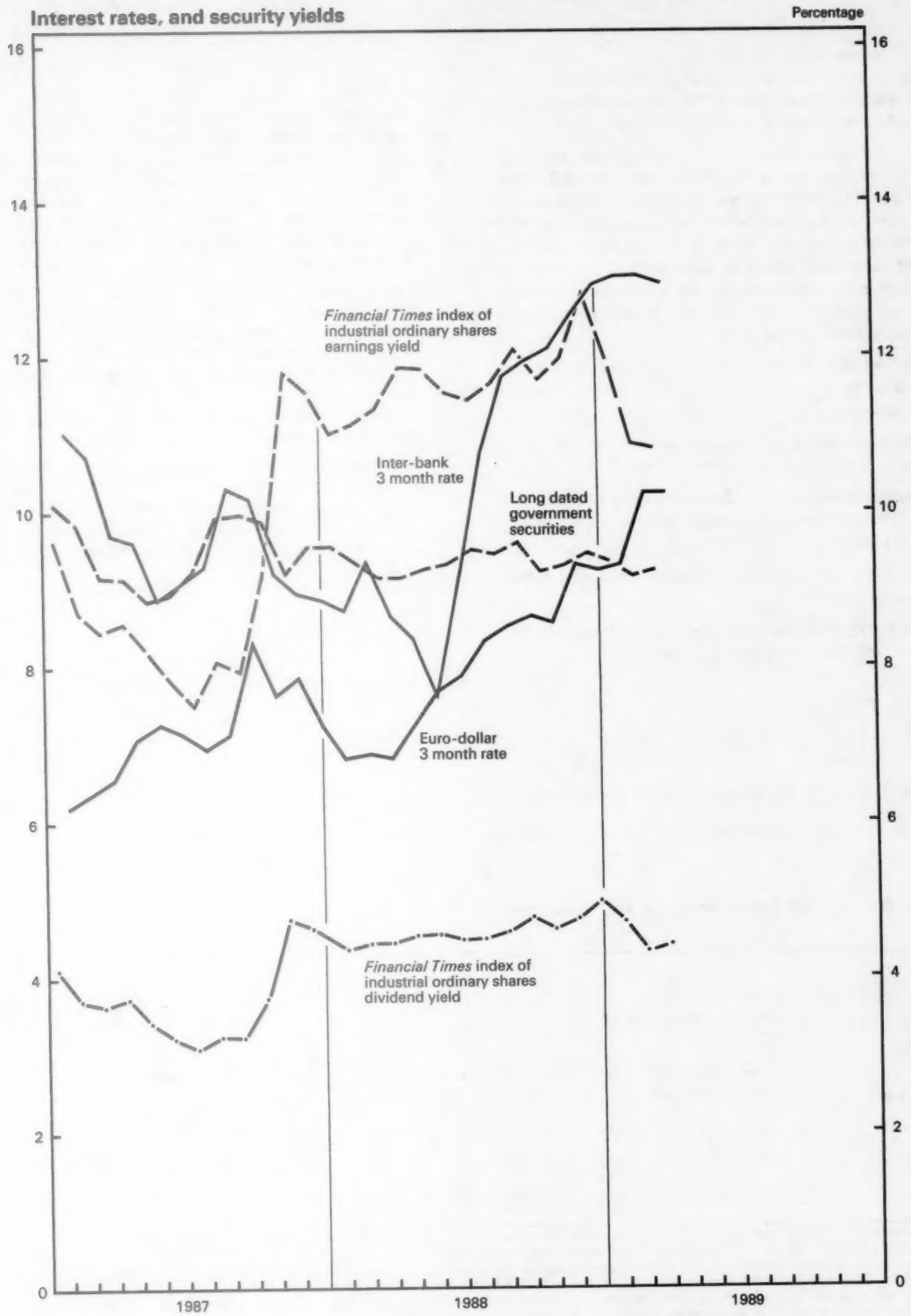
Percentage rate

	Last Friday						Last working day		Average of working days			
			Selected retail banks							Financial Times index of industrial ordinary shares 1 July 1935 = 100		
	Treasury bill yield[1]	Deposits with local authorities - 3 months[2]	Base rate	Deposit account: 7 days' notice	Inter-bank 3 month rate[3]	Sterling certificates of deposit - 3 months	Euro-dollar 3 month rate	Building societies basic rate on shares[4]	British government securities: long dated[5] - 20 years	Price index	Dividend yield	Earnings yield
	AJNC	AJOI		AJNF			AJIB	AJNM	AJLX	AJMT	AJMU	AJMV
1982	9.96	..	10.00-10.25	6.81	10.44-10.63	10.19-10.31	9.25	..	12.88	574.72	5.29	10.82
1983	9.04	9.31	9.00	5.50	9.34-9.41	9.25- 9.31	9.87	..	10.80	692.62	4.70	9.58
1984	9.33	10.13	9.50- 9.75	6.25	10.00-10.13	9.81- 9.94	8.62	6.75	10.69	854.87	4.66	10.76
1985	11.49	11.94	11.50	7.86	11.81-11.94	11.69-11.81	7.97	7.00	10.62	1 004.64	4.62	11.48
1986	10.94	11.31	11.00	6.92	11.31-11.34	11.00-11.13	6.31	5.99	9.87	1 287.11	4.25	10.16
1987	8.38	8.88	8.50	3.58	8.75-9.00	8.81- 8.88	7.25	4.02	9.47	1 600.01	3.73	8.98
1988	12.91	13.19	13.00	5.97	12.69-13.19	12.94-13.00	9.25	5.59	9.36	1 448.73	4.62	11.72
1985 Oct	11.45	11.50	11.50	7.86	11.56-11.69	11.38-11.50	8.00	7.00	10.22	1 034.23	4.64	11.35
Nov	11.33	11.50	11.50	7.86	11.56-11.63	11.38-11.50	8.19	7.00	10.37	1 099.30	4.40	10.87
Dec	11.49	11.94	11.50	7.86	11.81-11.94	11.69-11.81	7.97	7.00	10.45	1 113.88	4.45	11.04
1986 Jan	12.47	12.75	12.50	8.78	11.81-11.94	12.69-12.81	8.00	7.00	10.80	1 127.58	4.43	10.89
Feb	12.21	12.25	12.50	8.78	12.25-12.38	12.13-12.38	7.75	7.00	10.40	1 220.80	4.27	10.32
Mar	11.04	11.25	11.50	7.74	11.13-11.31	11.19-11.31	7.34	7.00	9.39	1 348.97	4.00	9.55
Apr	10.09	10.38	10.50	6.54	10.25-10.38	10.19-10.31	6.81	6.01	8.76	1 391.12	3.87	9.49
May	9.56	9.75	10.00	6.54	9.69-9.94	9.63- 9.75	7.09	6.00	9.00	1 331.60	4.10	10.20
Jun	9.52	9.75	10.00	6.54	9.75-9.88	9.66- 9.72	6.81	5.25	9.23	1 332.13	4.14	10.03
Jul	9.76	9.88	10.00	6.08	9.88-10.00	9.75- 9.88	6.44	5.25	9.37	1 309.62	4.21	10.14
Aug	9.56	9.81	10.00	6.08	9.81-9.94	9.63- 9.75	5.62	5.25	9.41	1 262.13	4.37	10.56
Sep	9.93	10.38	10.00	6.08	10.50-10.69	10.44-10.56	6.06	5.25	9.97	1 286.23	4.31	9.91
Oct	10.85	10.94	11.00	6.92	11.60-11.25	11.00-11.13	5.87	5.25	10.62	1 262.33	4.42	10.16
Nov	10.96	11.38	11.00	6.92	11.38-11.44	11.19-11.25	6.06	5.99	10.80	1 289.25	4.41	10.21
Dec	10.94	11.31	11.00	6.92	11.00-11.13	11.00-11.13	6.31	5.99	10.69	1 283.58	4.45	10.50
1987 Jan	10.85	11.00	11.00	6.92	11.00-11.13	10.88-11.00	6.19	5.99	10.09	1 392.63	4.12	9.68
Feb	10.46	10.75	11.00	6.92	10.69-10.81	10.69-10.75	6.37	5.99	9.83	1 529.60	3.72	8.72
Mar	9.54	9.87	10.00	5.60	9.69-9.81	9.63- 9.66	6.56	5.99	9.16	1 596.26	3.67	8.48
Apr	9.39	9.63	10.00	5.54	9.56-9.75	9.63- 9.69	7.06	5.99	9.12	1 554.78	3.77	8.58
May	8.68	8.75	9.00	4.69	8.81-8.94	8.69- 8.81	7.25	5.03	8.82	1 674.07	3.44	8.23
Jun	8.96	9.13	9.00	4.69	9.06-9.13	8.97- 9.03	7.12	5.00	8.90	1 759.78	3.25	7.83
Jul	9.14	9.25	10.00	4.69	9.19-9.44	9.03- 9.06	6.94	4.99	9.23	1 855.23	3.10	7.52
Aug	10.12	10.38	10.00	4.95	10.13-10.50	10.13-10.19	7.12	4.99	9.92	1 757.59	3.28	8.11
Sep	10.02	10.06	10.00	4.95	10.13-10.25	10.00-10.13	8.31	4.99	9.98	1 801.84	3.26	7.98
Oct	9.07	9.19	9.50	4.61	9.19-9.31	9.06- 9.19	7.62	4.99	9.88	1 645.30	3.75	9.22
Nov	8.67	8.88	9.00	4.12	8.88-9.03	8.78- 8.84	7.88	4.93	9.20	1 296.04	4.78	11.83
Dec	8.38	8.88	8.50	3.58	8.75-9.00	8.81- 8.88	7.25	4.02	9.57	1 337.02	4.67	11.58
1988 Jan	8.38	8.69	8.50	3.58	8.69-8.75	8.66- 8.72	6.81	4.00	9.57	1 419.37	4.39	11.02
Feb	9.01	9.25	9.00	4.04	9.19-9.63	9.13- 9.25	6.88	4.00	9.38	1 397.56	4.48	11.16
Mar	8.48	8.63	8.50	3.53	8.56-8.75	8.59- 8.66	6.81	4.00	9.12	1 446.73	4.48	11.37
Apr	7.98	8.50	8.00	2.92	8.25-8.50	8.38- 8.44	7.25	4.00	9.12	1 421.19	4.57	11.89
May	7.28	7.63	7.50	2.43	7.56-7.75	7.50- 7.56	7.68	3.51	9.27	1 427.45	4.59	11.86
Jun	9.24	8.88	9.00	3.07	8.94-9.44	9.06- 9.13	7.88	3.49	9.32	1 470.13	4.51	11.56
Jul	10.53	10.75	10.50	4.52	10.63-10.94	10.56-10.63	8.31	3.49	9.51	1 488.92	4.52	11.47
Aug	11.82	11.88	12.00	4.93	11.31-12.25	11.88-11.94	8.50	4.69	9.47	1 474.30	4.61	11.67
Sep	11.72	11.88	12.00	5.43	11.75-12.19	11.81-11.88	8.63	4.70	9.60	1 429.22	4.80	12.11
Oct	11.84	12.00	12.00	5.43	12.00-12.25	12.00-12.60	8.56	5.57	9.23	1 493.35	4.65	11.71
Nov	12.98	12.75	13.00	5.43	12.13-13.00	13.00-13.03	9.31	5.57	9.30	1 478.12	4.78	12.00
Dec	12.91	13.19	13.00	5.97	12.69-13.19	12.94-13.00	9.25	5.59	9.46	1 438.44	5.08	12.84
1989 Jan	12.70	12.81	13.00	5.97	13.00-13.13	12.94-13.19	9.31	5.87	9.35	1 543.53	4.76	11.96
Feb	12.91	13.00	13.00	5.97	12.94-13.19	12.94-13.06	10.25	6.06	9.15	1 676.22	4.37	10.90
Mar	12.79	13.00	13.00	5.97	12.94-13.13	12.94-13.00	10.25	6.06†	9.26	1 710.70	4.45	10.83
Apr	12.62†	12.81†	13.00	5.97†	12.88-13.38	12.75-12.88	9.81†	..	9.52†	1 700.63†	4.55†	11.03†

1 Average discount rate expressed as the rate at which interest is earned during the life of the bills.
2 For a minimum term of 3 months and thereafter at 7 days' notice.
3 Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 am.
4 The series comprises a weighted average of basic rates offered by the largest societies. The rates are net of income tax where this is paid by societies at the agreed composite rate.
5 Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (3 a week); from January 1982 average of working days. Calculated gross redemption yields - see *Financial Statistics Explanatory Handbook*.

Sources: Central Statistical Office; Bank of England; HM Treasury; Building Societies Commission; Financial Times; Institute of Actuaries; Faculty of Actuaries

Interest rates, and security yields



Cyclical indicators for the UK economy

Recent movements of the indices

Taking account of the coal strike of 1984/85, the coincident index reached a peak in January 1985. Since then there has been a trough, provisionally dated in August 1986.

The cyclical movements since the 1981 trough are significantly smaller than those seen in the 1970s and somewhat smaller than those seen in the 1960s. The small size of the cyclical movements over recent years reflects the fact that during this period GDP growth was exceptionally steady by historical standards. The current paths of the indices are consistent with a slowdown in economic growth, but it should be borne in mind that recent values of the indices are subject to revision as later information modifies the assessment of current trend.

First estimates of the longer leading, shorter leading and coincident indices to April and of the lagging index to March are now available.

The longer leading index has, on the latest data, reverted to an almost continuous decline since July 1987.

The shorter leading index shows a declining path from July 1988, influenced mainly by a reduction in the growth of new consumer credit.

The April value of the coincident index continues the decline seen since early 1988.

The lagging index, having declined slightly between May and October 1988, has a rising path over recent months.

Definitions

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-trend; thus the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is a economic rationale to account for this relationship.

A composite index for each group of indicators series is formed by subtracting from each series the value of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing and scaling them to give cycles of similar amplitude, and inverting them where appropriate.

Information included in Table A below is based on monthly and quarterly data available to 17 May.

Precise details on data availability for each of the component series used in the compilation of the indicators is shown in Table B.

Table A - Recent movements of the indicators

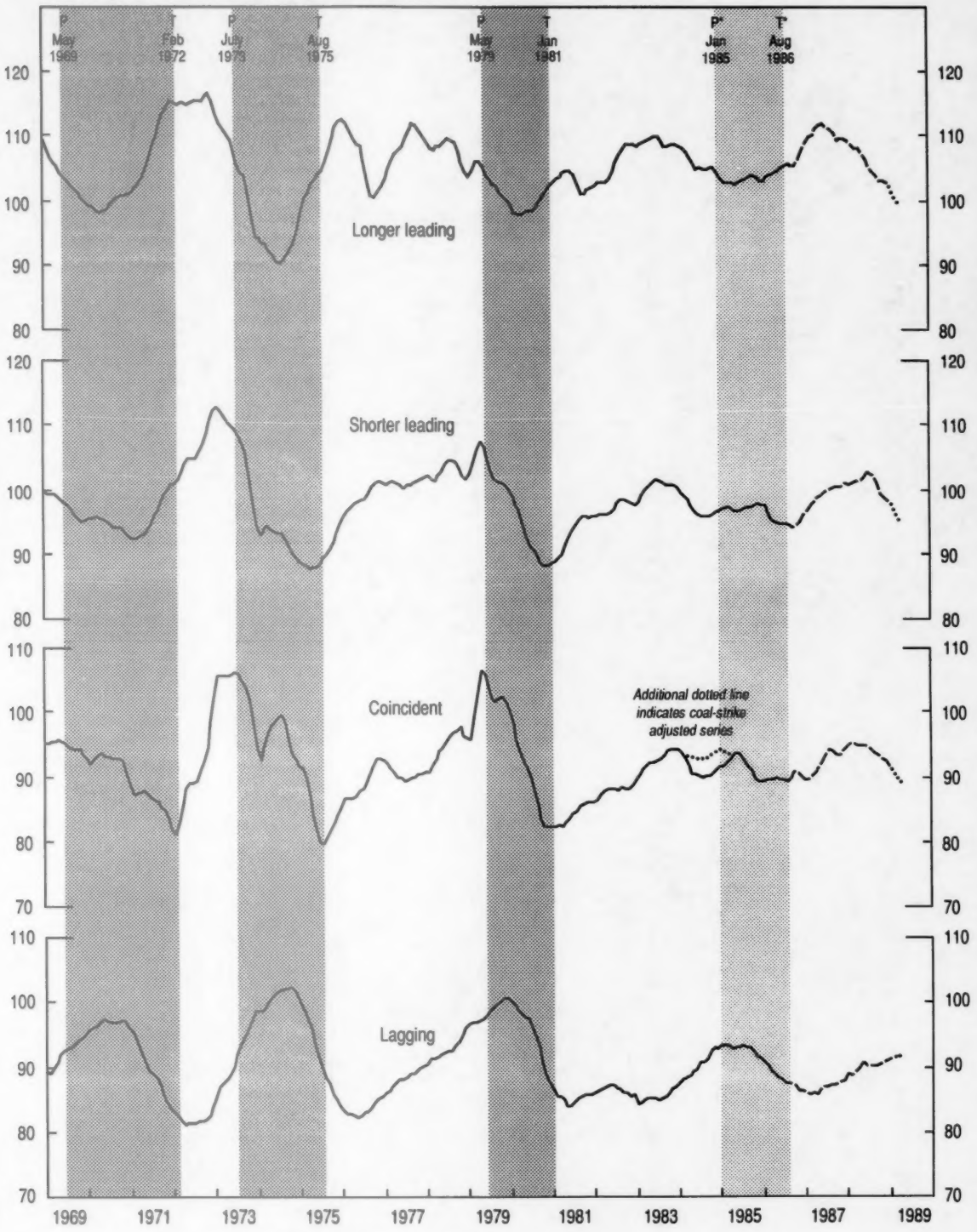
	Most recent values January 1980=100												Lead (-) or lag (+) in months relative to reference cycle dates		
	1988									1989					
	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	Median	Earliest	Latest
Longer leading	108.0	108.0	107.2	106.4	105.5	104.4	103.8	103.2	103.2	102.7	102.0	100.6	99.8	−12	−39	−4
	5	5	5	5	5	5	5	5	5	4	4	4	3			
Shorter leading	101.2	101.2	102.0	102.7	102.4	102.1	101.1	99.3	98.8	98.1	97.5	96.7	95.3	−5	−18	+2
	5	5	5	5	5	5	5	5	5	4	4	4	2			
Coincident	94.9	94.9	94.9	94.7	94.2	93.8	93.3	92.9	92.4	91.7	90.8	90.4	89.5	N/A	N/A	N/A
	7	7	7	7	7	7	7	7	7	4	4	4	2			
Lagging	89.9	90.6	90.2	90.2	90.1	90.0	90.3	90.6	90.9	91.2	91.6	91.6		+9	+1	+17
	5	5	5	5	5	5	5	5	5	4	4	3				

1 A full explanation of the methodology used is given in *Economic Trends*, No 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February, May August and November issues, a further ten pages showing individual indicator series.

2 In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revisions each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in the calculation; no significance, therefore, should be attached to the current levels of the indicators, although month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO: 01-270 5966.

Cyclical indicators

Composite indices of indicator groups. January 1980=100



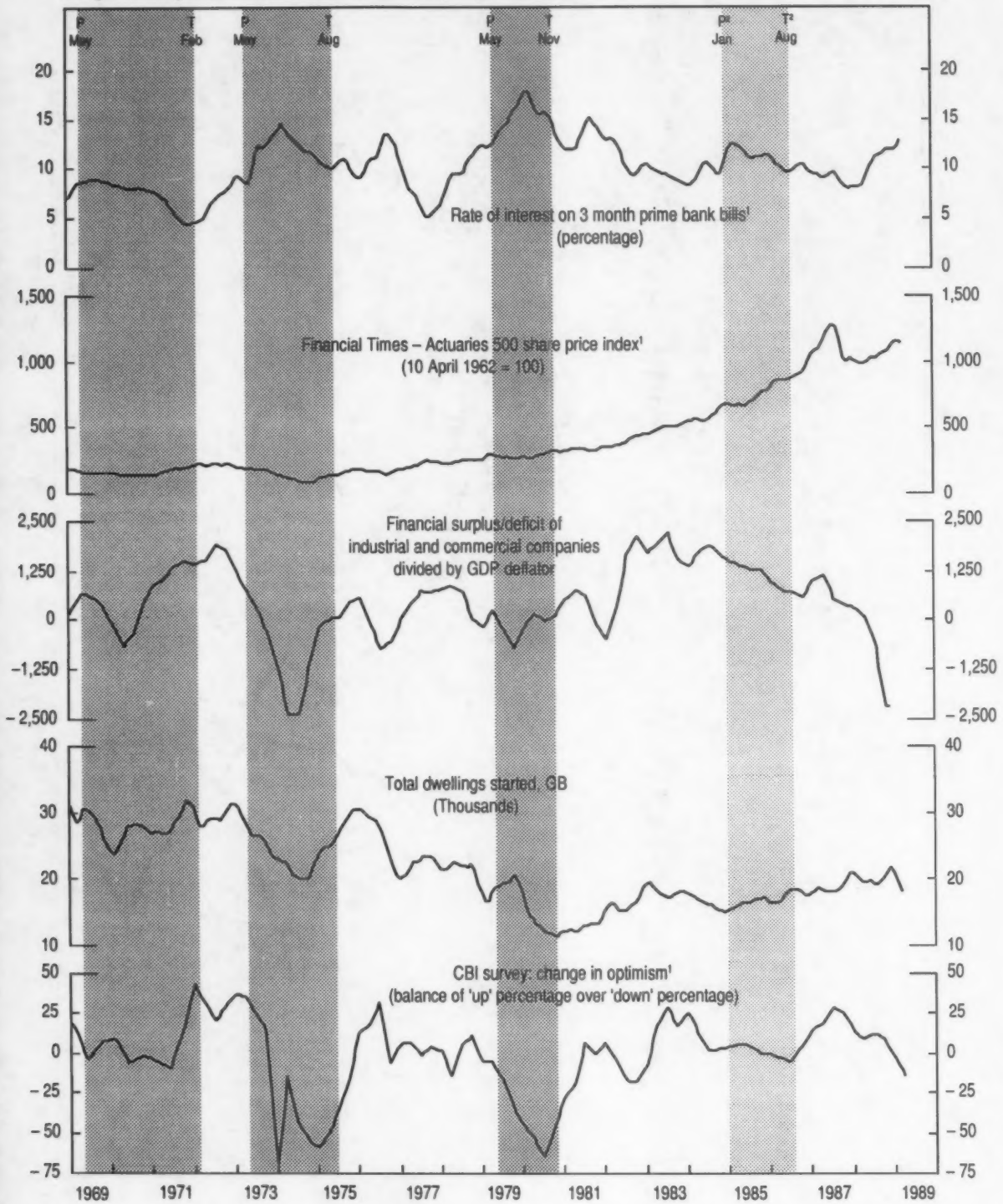
Subject to revision due to trend re-estimation

Based on incomplete data

*Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Longer leading indicators. Smoothed seasonally adjusted series

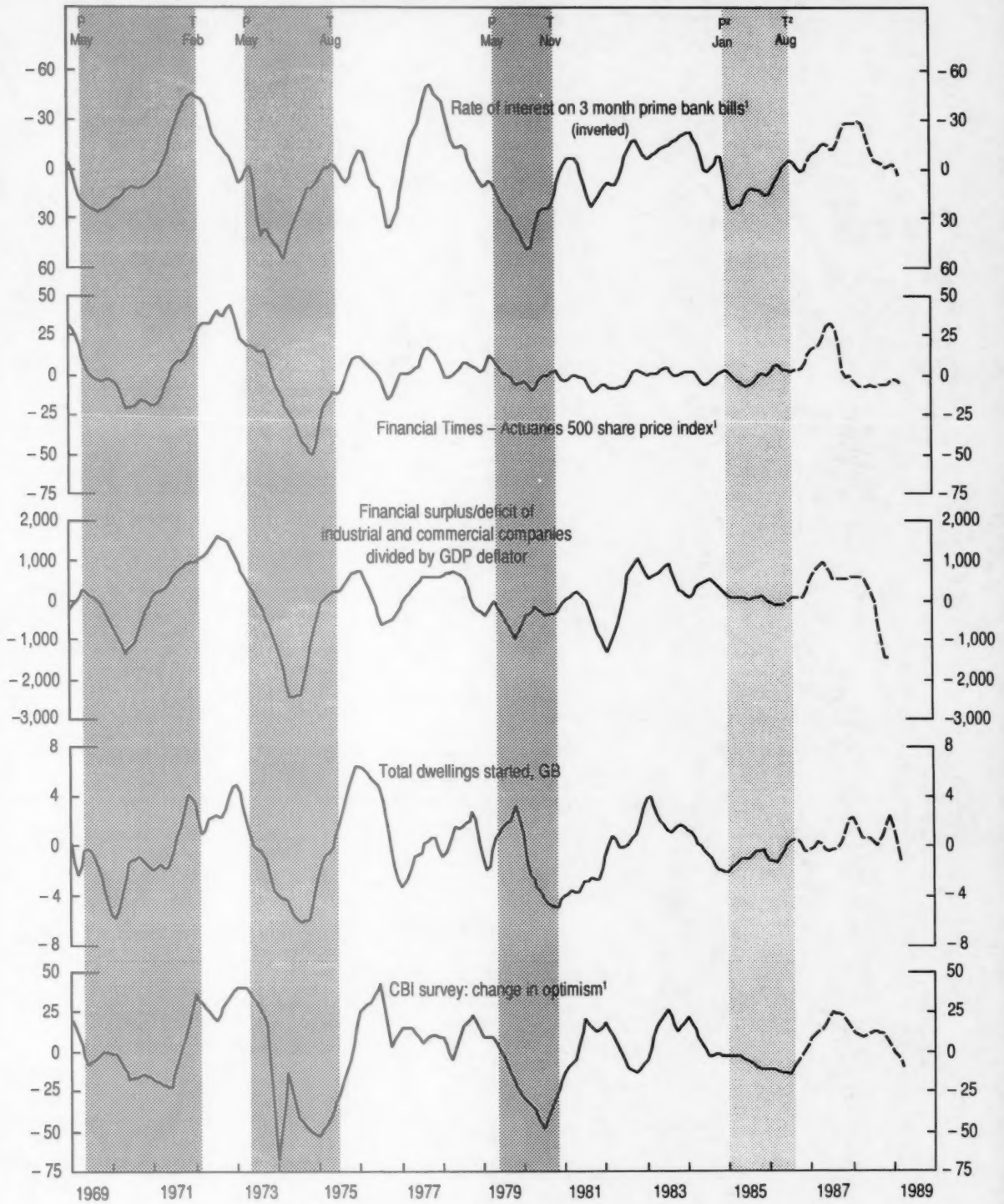


1.Seasonally adjusted by the CSO

2.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Longer leading indicators. Smoothed trend-eliminated series



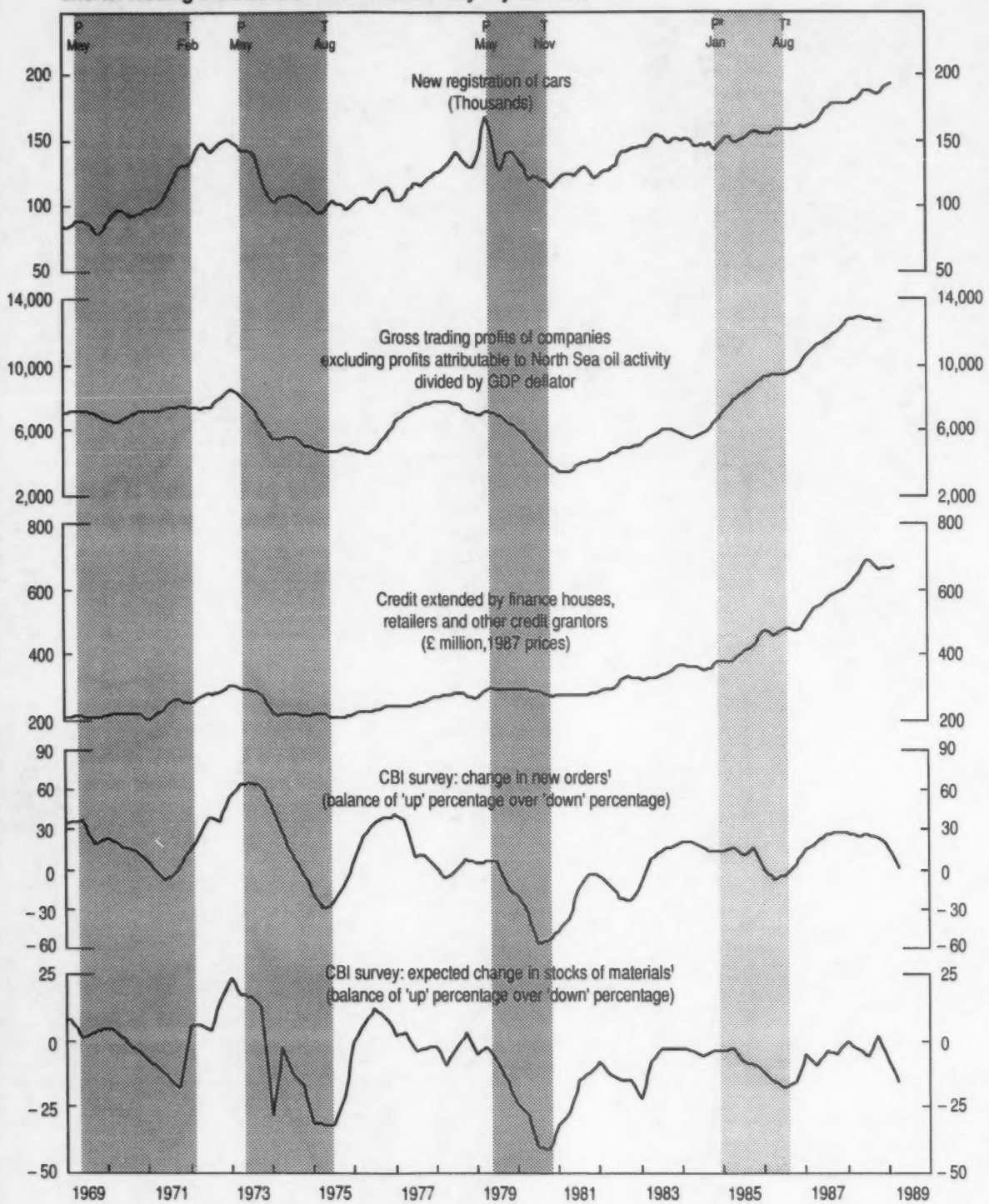
1.Seasonally adjusted by the CSO

2.Peak and trough less marked than previous peaks and troughs

——— Subject to revision due to trend re-estimation

Cyclical indicators by timing classification

Shorter leading indicators.Smoothed seasonally adjusted series

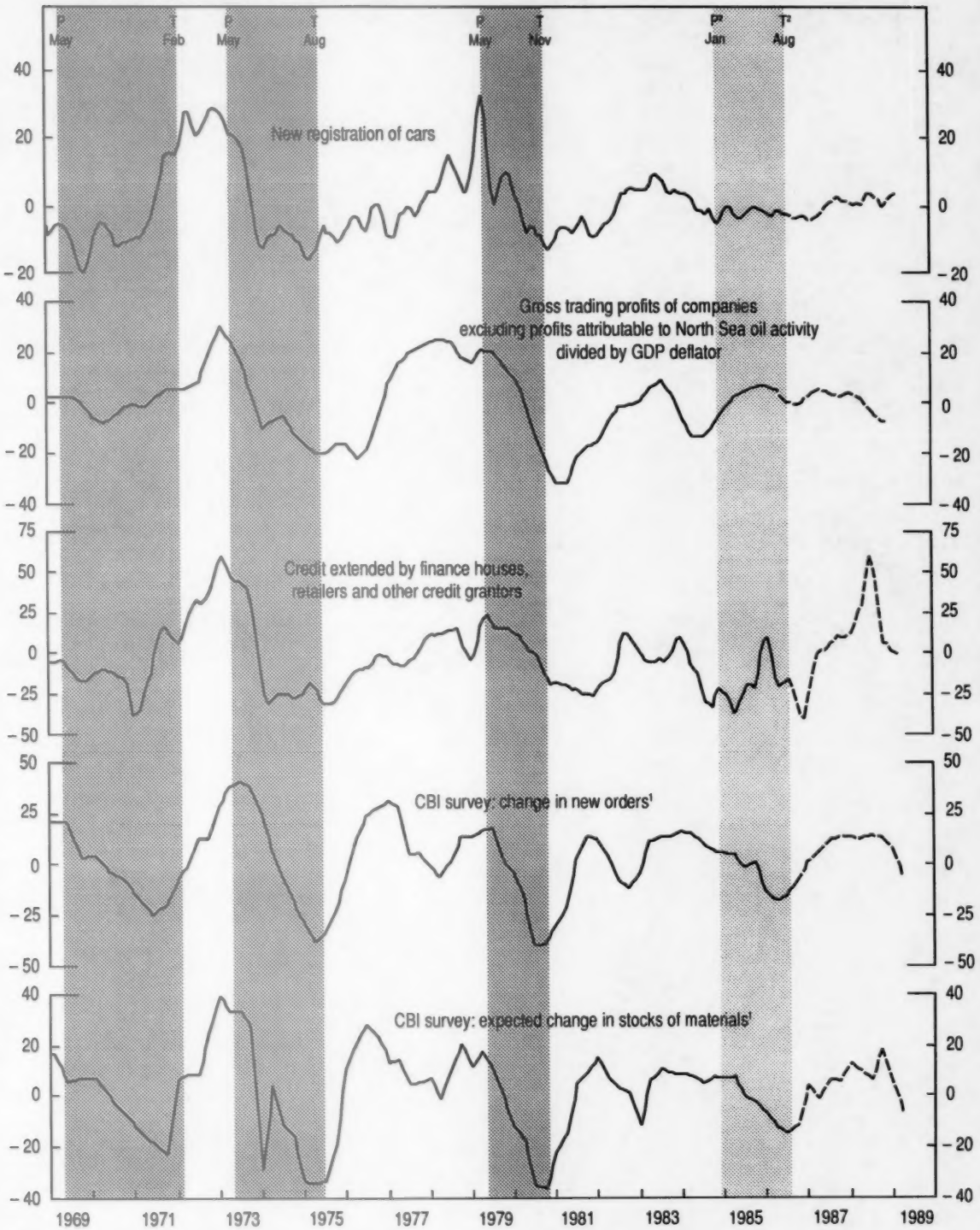


1.Seasonally adjusted by the CSO

2.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Shorter leading indicators.Smoothed trend-eliminated series



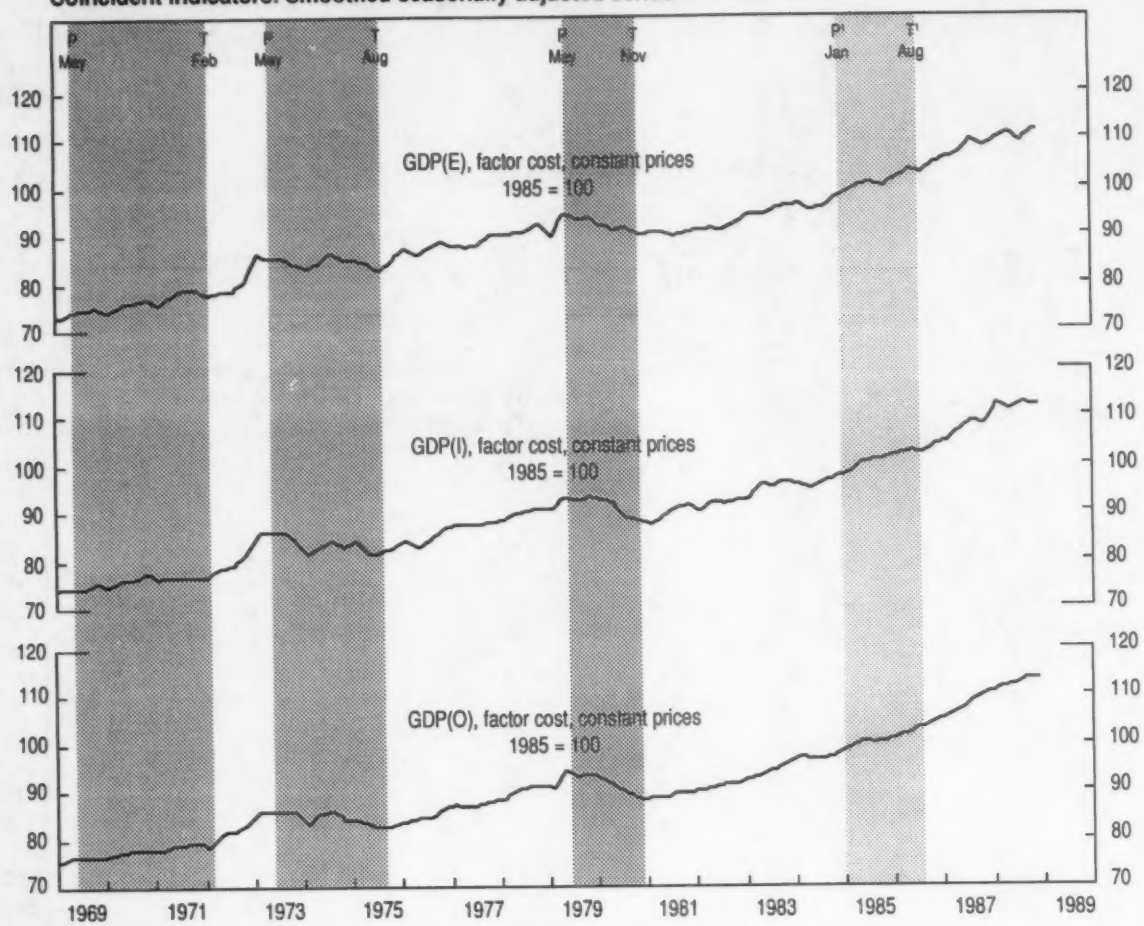
1.Seasonally adjusted by the CSO

2.Peak and trough less marked than previous peaks and troughs

---- Subject to revision due to trend re-estimation

Cyclical indicators by timing classification

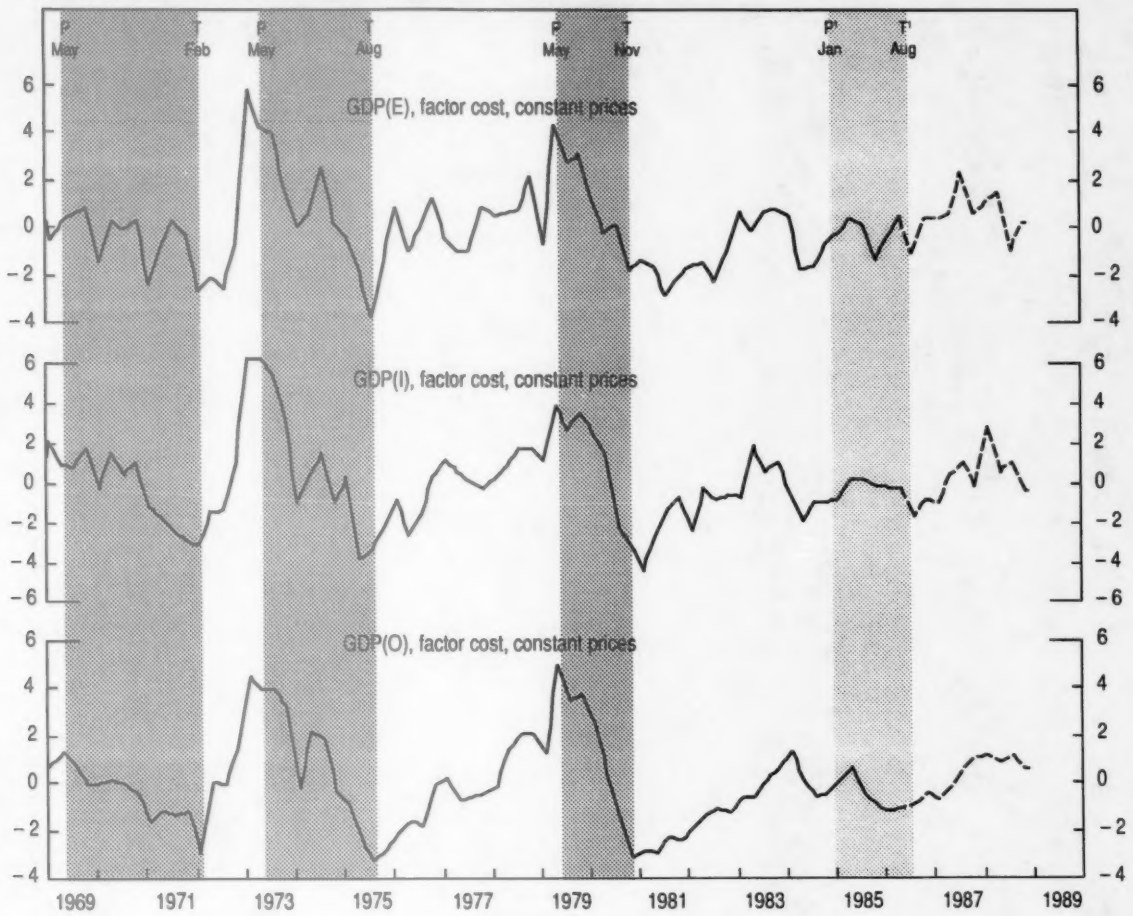
Coincident indicators. Smoothed seasonally adjusted series



1.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Coincident indicators. Smoothed trend-eliminated series

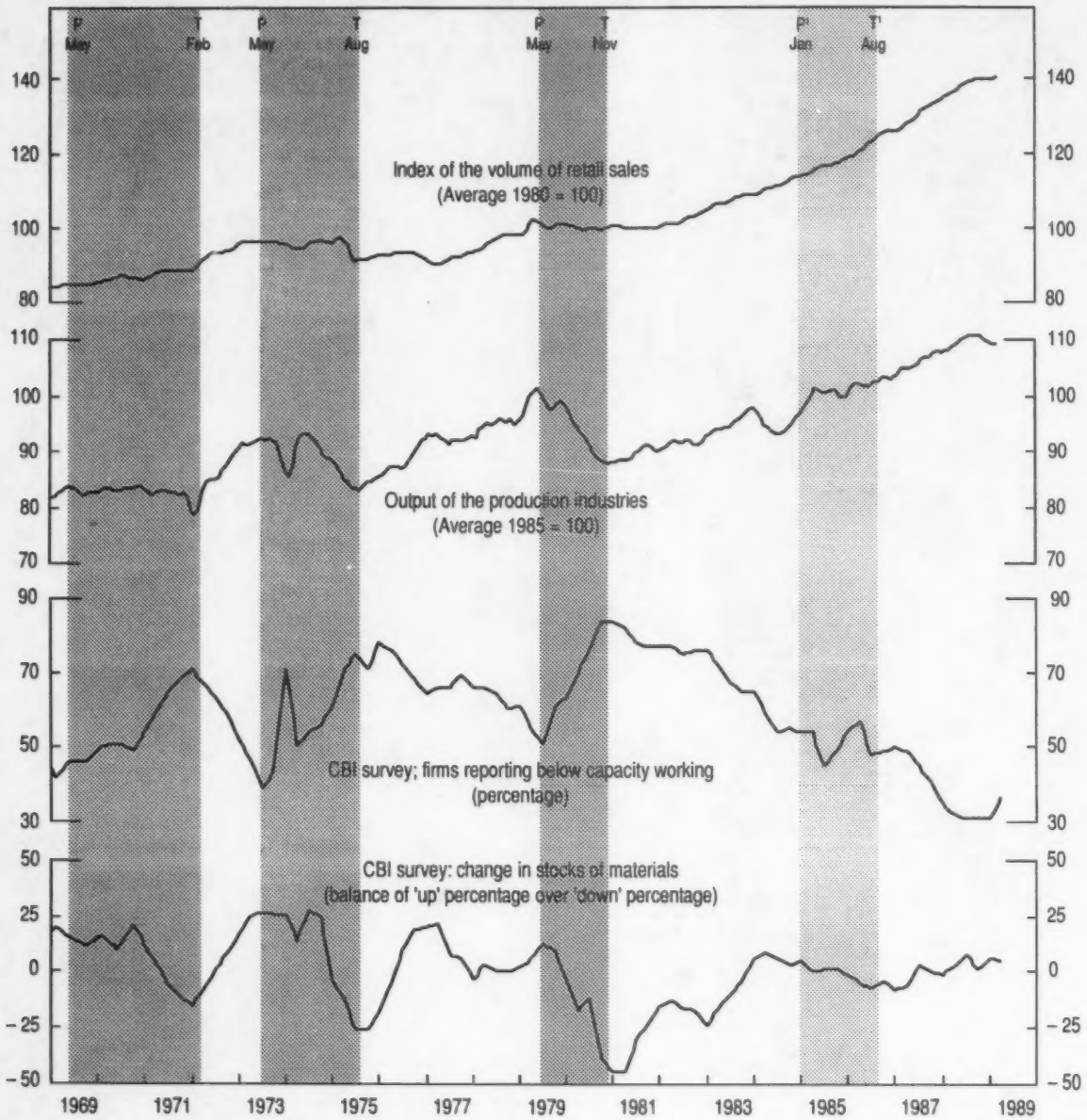


1.Peak and trough less marked than previous peaks and troughs

—— Subject to revision due to trend re-estimation

Cyclical indicators by timing classification

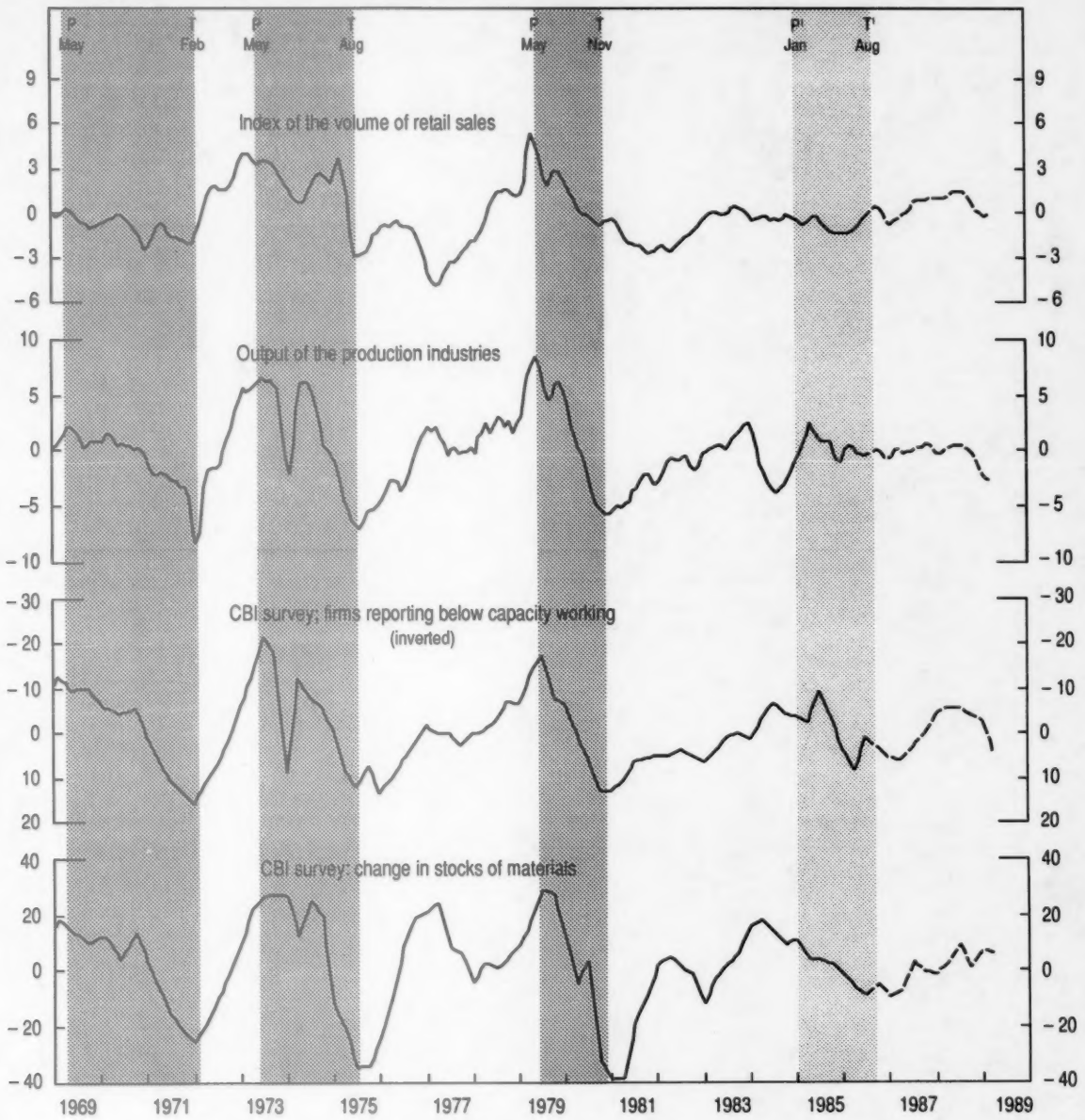
Coincident indicators. Smoothed seasonally adjusted series



1.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Coincident indicators. Smoothed trend-eliminated series

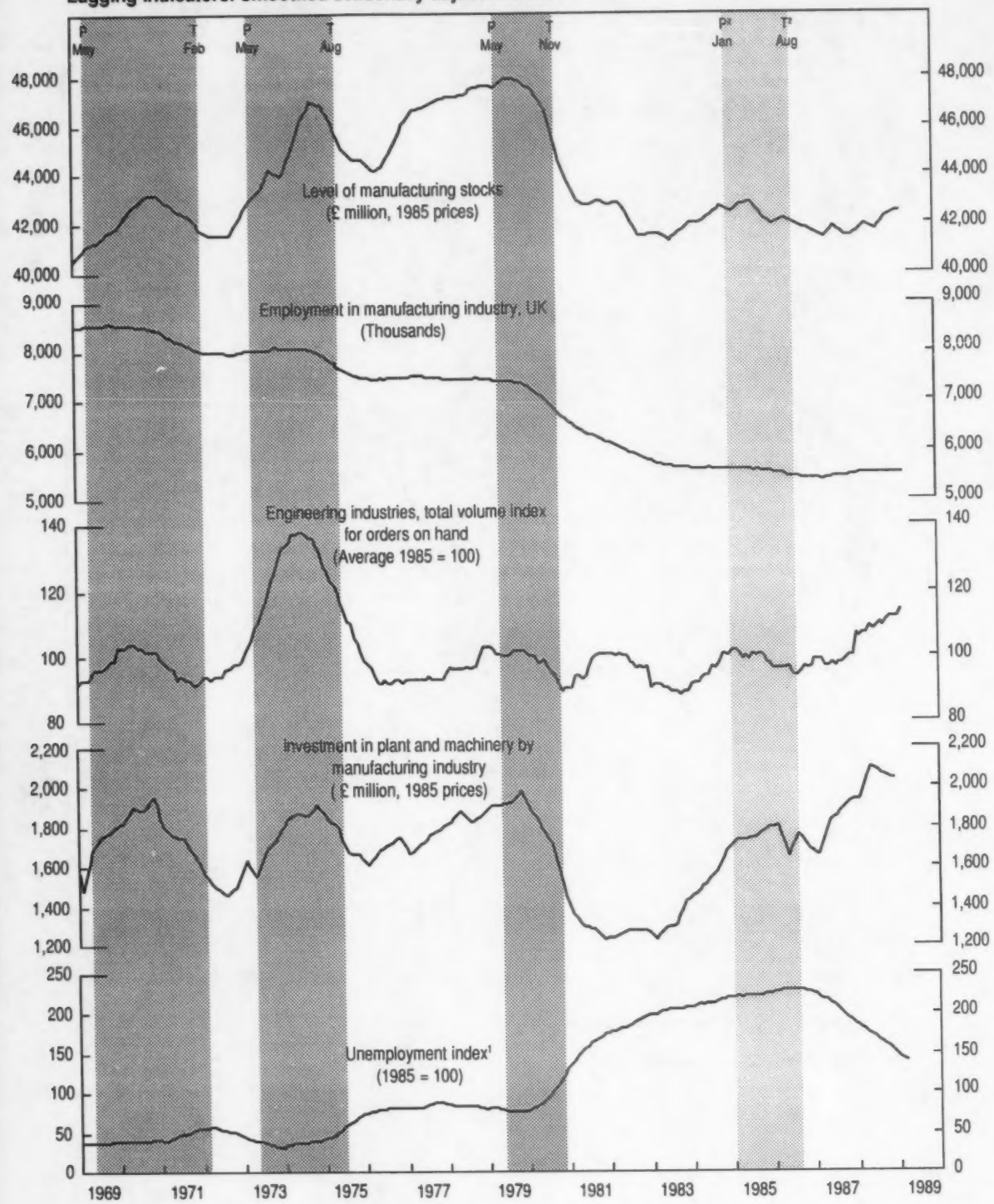


1.Peak and trough less marked than previous peaks and troughs

—— Subject to revision due to trend re-estimation

Cyclical indicators by timing classification

Lagging indicators. Smoothed seasonally adjusted series

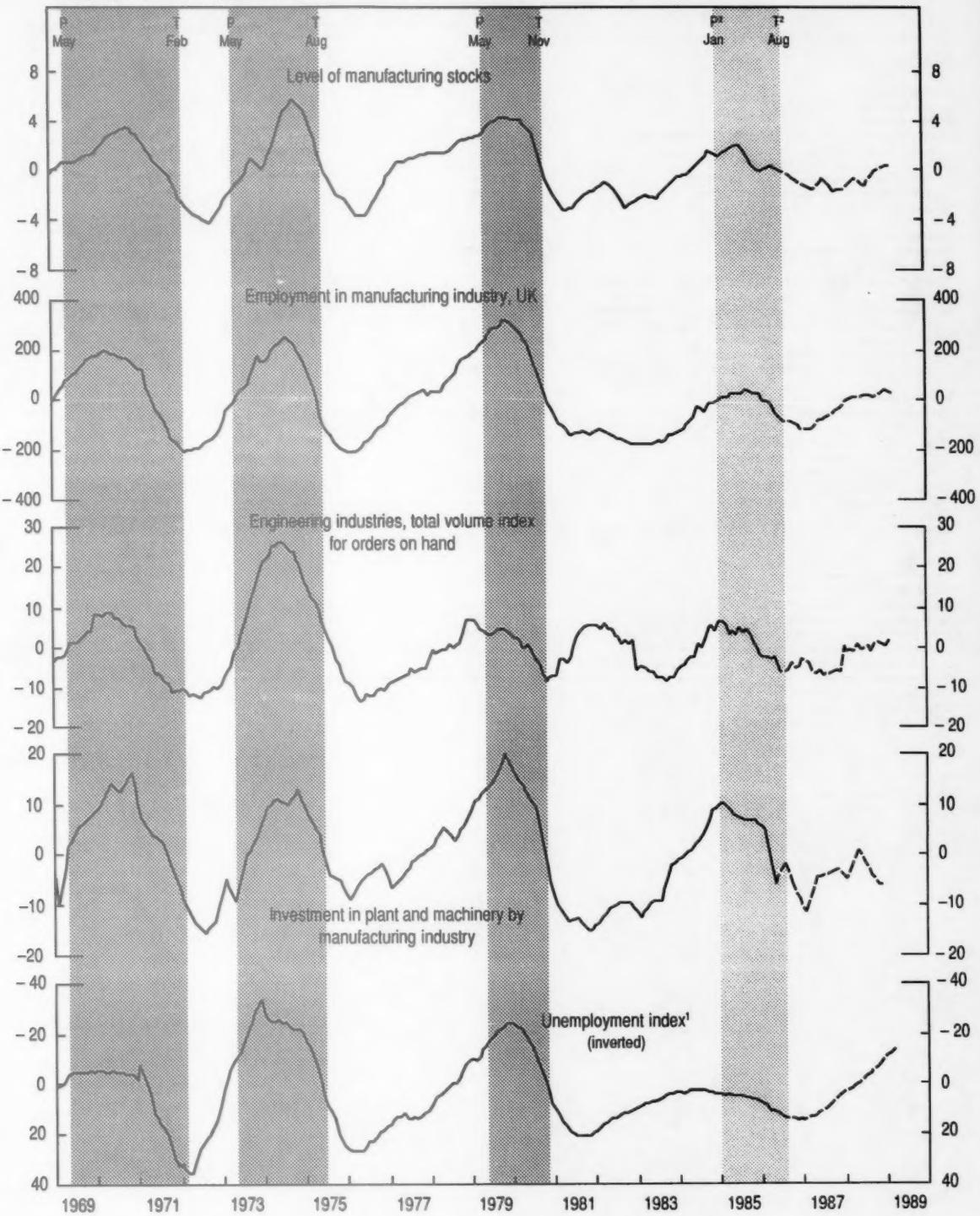


1.Adjusted for changes in the average of the count

2.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Lagging indicators. Smoothed trend-eliminated series



1.Adjusted for changes in the average of the count

2.Peak and trough less marked than previous peaks and troughs

——— Subject to revision due to trend re-estimation

Table B - The indicators: their timing characteristics and data availability

	Latest data included	Timing relative to reference cycle dates[1] (-) leads (+) lags months		
		Median	Earliest	Latest
Indicators				
Longer leading				
Composite longer leading index	April 1989	-12	-39	- 4
Component series:				
Financial surplus/deficit, industrial and commercial companies, divided by GDP deflator	1988 Q4	-15	-39	+13
CBI quarterly survey: change in optimism[2]	April 1989	- 8	-34	- 4
Financial Times - Actuaries 500 share index[2,3]	April 1989	- 8	-20	+ 9
Rate of interest, 3 months prime bank bills[2]	April 1989	-17	-28	- 5
Total dwellings started, Great Britain	March 1989	-12	-40	+ 2
Shorter leading				
Composite shorter leading index	April 1989	- 5	-18	+ 2
Component series:				
Credit extended by finance houses, retailers and other credit grantors	March 1989	- 5	-19	+ 4
Gross trading profits of companies,excluding stock appreciation and mineral oil and natural gas extraction, divided by GDP deflator	1988 Q4	-10	-27	+ 9
New car registrations	March 1989	- 4	-26	+ 7
CBI quarterly survey: change in new orders[2]	April 1989	- 6	-28	0
CBI quarterly survey: expected change in stocks of materials[2]	April 1989	- 5	-36	- 3
Roughly coincident				
Composite coincident index	April 1989	N/A	N/A	N/A
Component series:				
Gross domestic product (expenditure)	1988 Q4	0	- 6	+12
Gross domestic product (income)	1988 Q4	0	-20	+ 6
Gross domestic product (output)	1988 Q4	- 1	-15	0
Output of the production industries	March 1989	0	- 7	+ 1
CBI quarterly survey: capacity utilisation	April 1989	+ 1	- 4	+ 8
Volume of retail sales	March 1989	0	-15	+20
CBI quarterly survey: change in stocks of raw materials	April 1989	- 1	- 9	+ 5
Lagging				
Composite lagging index	March 1989	+ 9	+ 1	+17
Component series:				
Adult unemployment index[3]	March 1989	+ 6	+ 1	+20
Total employment in manufacturing industries United Kingdom	March 1989	+ 9	+ 1	+26
Investment in plant and machinery, manufacturing industry	1988 Q4	+ 9	+ 1	+18
Engineering industries, volume index for orders on hand	February 1989	+10	- 5	+16
Level of stocks and work in progress, manufacturing industry	1989 Q1	+12	+ 4	+21

1 Assessed on performance up to last identified trough, August 1986.
2 Seasonally adjusted by CSO.
3 Adjusted for changes in coverage.

Source: Central Statistical Office

Measures of variability of selected economic series[1]

	Table	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1985 prices								
GDP, factor cost								
Expenditure-based	2	1st quarter 1975 to 2nd quarter 1988	*1.2*	*0.8*	*0.7*	1.1	2	0.5
Income-based	2	1st quarter 1975 to 2nd quarter 1988	*1.2*	*0.7*	*0.9*	0.8	1	0.8
Output-based	2,17	1st quarter 1975 to 2nd quarter 1988	*1.0*	*0.4*	*0.8*	0.5	1	0.5
Average estimate	2	1st quarter 1975 to 2nd quarter 1988	*1.0*	*0.4*	*0.8*	0.6	1	0.6
Consumers' expenditure	3,4,5	1st quarter 1975 to 2nd quarter 1988	*1.2*	*0.7*	*0.9*	0.8	1	0.8
Fixed capital formation								
Total	3,9	1st quarter 1975 to 2nd quarter 1988	*2.3*	*1.4*	*1.6*	0.9	1	0.9
Manufacturing industry	10	1st quarter 1975 to 2nd quarter 1988	*3.5*	*1.8*	*2.7*	0.7	1	0.7
Stockbuilding[2]								
Total	3,13	1st quarter 1975 to 2nd quarter 1988	*530.5*	*375.4*	*274.2*	1.4	2	0.6
Manufacturing	13	1st quarter 1975 to 2nd quarter 1988	*310.9*	*200.7*	*170.4*	1.2	2	0.6
Exports: goods and services	3	1st quarter 1975 to 2nd quarter 1988	*2.5*	*1.8*	*1.4*	1.3	2	0.5
Imports: goods and services	3	1st quarter 1975 to 2nd quarter 1988	*3.3*	*1.9*	*2.2*	0.9	1	0.9
Real personal disposable income	4	1st quarter 1975 to 2nd quarter 1988	*1.4*	*1.0*	*1.0*	1.0	2	0.4
Other national income series								
Gross trading profits and trading surplus of corporate sector	34	1st quarter 1975 to 2nd quarter 1988	*6.1*	*3.0*	*4.5*	0.7	1	0.7
Other quarterly series								
Construction output[3]	18	1st quarter 1975 to 2nd quarter 1988	*2.2*	*1.5*	*1.4*	1.1	2	0.4
Public sector borrowing requirement[4]	32	1st quarter 1975 to 2nd quarter1988	*963.2*	*708.3*	*482.4*	1.5	2	0.7
Personal saving ratio[5]	4	1st quarter 1975 to 2nd quarter 1988	*1.1*	*0.9*	*0.5*	1.6	2	0.7
Monthly series								
Retail sales								
Food retailers	6	January 1971 to February 1987	*0.9*	*0.8*	*0.3*	3.0	4	0.8
Mixed retail businesses	6	January 1971 to February 1987	*2.0*	*1.9*	*0.5*	3.7	4	1.0
Clothing and footwear retailers	6	January 1971 to February 1987	*2.5*	*2.4*	*0.6*	4.1	4	1.0
Household goods retailers	6	January 1971 to February 1987	*2.6*	*2.4*	*0.8*	3.1	4	0.9
Other non-food retailers	6	January 1971 to February 1987	*1.4*	*1.3*	*0.4*	3.4	4	0.9
Cars: new registrations	6	January 1975 to December 1987	*8.2*	*8.2*	*0.8*	10.1	6	
Housing: public authorities[6]								
Starts	12	January 1958 to December 1987	*12.6*	*12.4*	*1.9*	6.5	6	1.2
Completions	12	January 1958 to December 1987	*8.8*	*8.7*	*1.3*	6.6	6	1.1
Housing: private[6]								
Starts	12	January 1958 to December 1987	*9.8*	*9.6*	*1.8*	5.3	6	1.0
Completions	12	January 1958 to December 1987	*6.2*	*6.2*	*1.0*	6.5	6	1.1
Index of industrial production:								
Production industries	1,16,17	January 1973 to October 1986	*1.2*	*1.0*	*0.5*	2.3	3	1.0
Manufacturing industries	16,17	January 1973 to October 1986	*1.3*	*1.2*	*0.4*	2.7	4	0.8
Passenger car production:								
Home market	19	January 1976 to December 1986	*12.2*	*12.0*	*1.8*	6.8	6	1.4
Export	19	January 1976 to December 1986	*15.2*	*14.6*	*2.6*	5.7	6	1.1
Commercial vehicle production:								
Home market	19	January 1976 to December 1986	*10.9*	*9.7*	*3.1*	3.1	4	0.9
Export	19	January 1976 to December 1986	*10.1*	*9.3*	*2.7*	3.4	5	0.8
Unemployed males - excluding school leavers[7]	1,21	January 1971 to October1986	*15.5*	*4.5*	*14.4*	0.3	1	0.3
Unemployed females - excluding school leavers[7]	1,21	January 1971 to October 1986	*6.0*	*1.7*	*5.6*	0.3	1	0.3
Vacancies unfilled at job centres[7]	1,21	April 1978 to September 1986	*4.2*	*1.8*	*3.5*	0.5	1	0.5
Average earnings: whole economy	23	January 1976 to December 1982	*1.0*	*0.3*	*1.0*	0.3	1	0.3
Exports: value, f.o.b.[8]	27	January 1980 to December 1988	*3.2*	*3.0*	*0.9*	3.3	3	0.5
Imports: value, f.o.b.[8]	27	January 1980 to December 1988	*3.9*	*3.5*	*1.4*	2.5	2	0.9
Money stock - £M3[9]	1,29	January 1980 to March 1985	*1.2*	*0.8*	*1.1*	0.7	1	0.7

1 For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No 228, August 1972.
The following are brief definitions of the measures.
$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.
$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.
$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes 2,4,6 and 8.
$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.
The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

2 The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present, seasonal adjustment of the published stocks series is performed multiplicatively on the level of stocks.

3 Series relates to Great Britain.

4 The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in units of £ million.

5 The figures in the tables were obtained from an additive analysis of the personal saving ratio so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in percentage points.

6 Series relate to Great Britain, though variability measures calculated from England and Wales component.

7 Series relate to Great Britain and may be found in Tables 2.2 and 3.2 of *Employment Gazette*.
The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

8 The figures have been updated as described in an article in *Economic Trends*, No 320, June 1980.

9 Although £M3 **flows** are seasonally adjusted **additively**, the figures above for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ for **levels** are presented as percentages of the level of the trend in the preceding month.

Source: Central Statistical Office

Energy consumption in the United Kingdom

Matt Semple, Department of Energy*

**The author is indebted to Patrick Tate (Teesside Poly) for assistance with the charts for this article; and to Ron Schaffer and other colleagues at the Department of Energy for their valuable comments. The views expressed are his own.*

1. Introduction

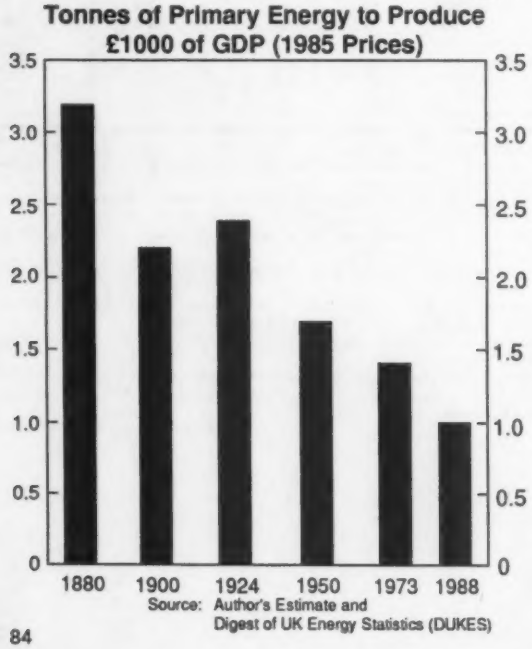
'Energy is eternal delight' - William Blake

Not everyone would share Blake's sentiment. None would dispute, however, that energy is all-pervasive in modern society - a *sine qua non* for almost all of our activities. So it is not surprising that the major changes in availability of fuels and the conditions of their supply, particularly those during the last 15 years, have markedly affected the individual and the national economy. Consumers of energy are now much more sensitive to the waste of fuels and the efficiency with which they use them. Furthermore, in recent years it has become clear that the environmental effects of fuel production and use may be more profound and longterm than previously envisaged. For these reasons this article looks at energy consumption in the United Kingdom, and sets it in the context of developments in the national economy. It concentrates on trends over the four decades following the Second World War with increasing emphasis on developments since 1973. But first, it sets the scene with a brief look at trends in energy consumption before that period.

19th century energy consumption

Coal production and consumption expanded rapidly during the 19th century, with coal supplanting wood as the major fuel. Total coal use per head of population increased from 14 cwt in 1801 to 74 cwt in 1881. For much of the period energy consumption and the economy grew broadly in parallel; so there was little reduction in the primary energy requirement (tonnes of coal equivalent) per £1,000 of real gross domestic product(GDP) – which energy specialists refer to as the energy ratio. In 1880 this ratio was around 3.2 (see Chart 1).

Chart 1



Source: Author's Estimate and Digest of UK Energy Statistics (DUKES)

The next 20 years saw continuing rapid growth in national income, but a slower increase than previously in primary fuel consumption as the impact of the introduction of more efficient machinery increased. By 1901, coal use per capita had increased to 78 cwt. By the turn of the century the energy ratio had fallen to about 2.2.

Early 20th century energy consumption

Coal production in the United Kingdom peaked just before the First World War (with the peak coal consumption at 81 cwt per head in 1911). Primary fuel consumption did not exceed its pre-First World War level until after the end of the Second World War. There were erratic movements in the energy ratio in the war years, and during the strikes in the 1920s. However, with GDP and energy consumption increasing only slowly, the energy ratio by the early to mid 1920s was above the level of 1900 (at around 2.4).

The next 25 years

Between the mid-1920s and the end of the Second World War, GDP rose markedly. As energy consumption did not exceed its pre-First World War peak, there was a dramatic reduction in the energy ratio. Although the energy ratio was erratic in the immediate post-Second World War period, by 1950 it had fallen to 1.7.

1950 to date

Both GDP and energy consumption increased from 1950 to 1973, but with the latter increasing more slowly, there was a further fall in the energy ratio to 1.4. Since 1973 the fall in the ratio has been greater and, by 1988, £1,000 of real GDP (at 1985 factor cost) required a primary energy input of one tonne of coal equivalent.

Today the energy ratio is only about one-third of its level a century ago. This fall in the ratio is a measure of how much the energy requirement per unit of output has decreased. However, this was not an uninterrupted fall. Chart 1 shows that a fall in the energy ratio is not common to every comparison between years. For example, between 1900 and 1924 the energy ratio increased. Comparisons between countries also show that even post-1973 a fall in the energy ratio was not a common experience in all countries throughout the period. Indeed, since 1976 the energy ratio of the non-OECD, non-communist world countries combined has increased. Even in a developed economy such as France, the energy ratio increased between 1982 and 1985.

Thus, while technological improvements and other energy-efficient developments have dominated the decline in the energy ratio over the last century, the fall is not inevitable. Increased material standards of living and comfort, etc are influences which can lead to increasing energy consumption outstripping the growth of GDP. However, in developed economies generally there has been a secular downward trend in energy consumption per unit of GDP.

Since 1950 there have been major energy supply developments in the United Kingdom economy. These have seen the harnessing of nuclear power for the peaceful purpose of producing electricity; the development of offshore gas, and then oil resources; and the

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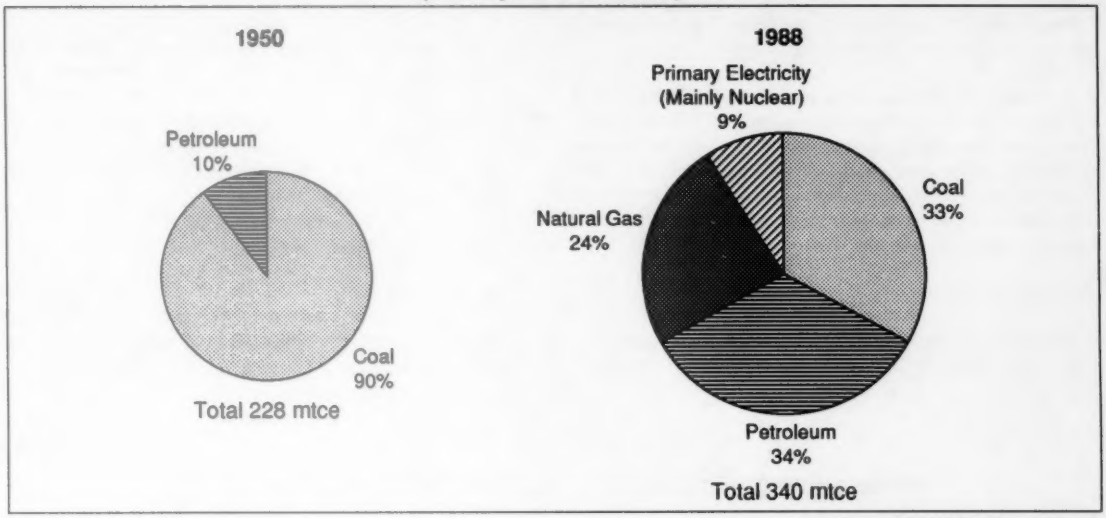
Chart 2

UK Primary Energy Requirement

(not temperature corrected)



Source: DUKES & Energy Trends

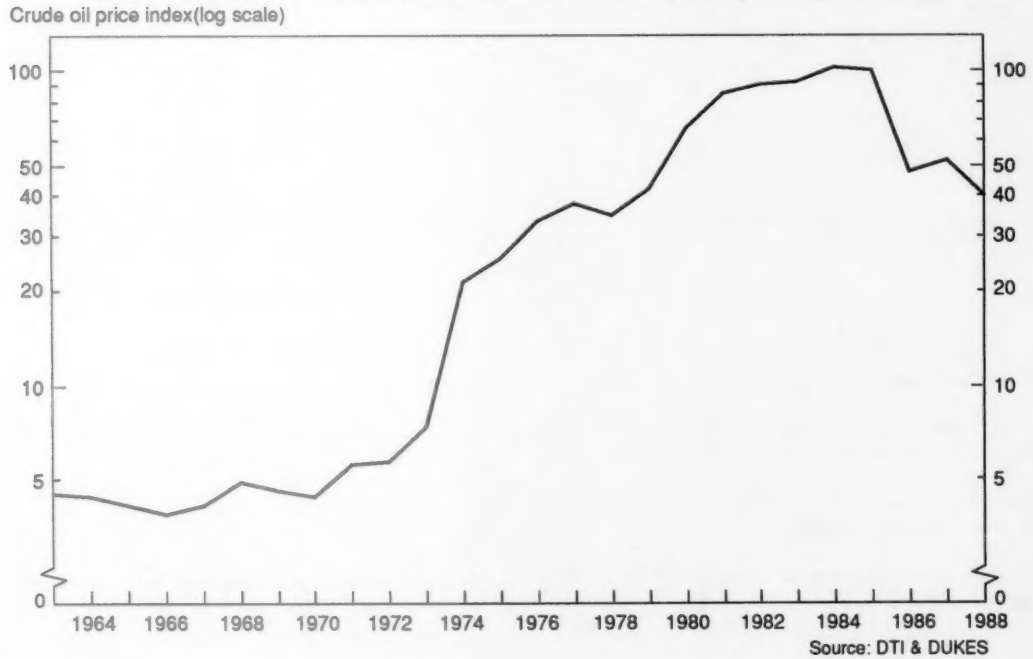
reduction in the size of the coal industry. Looking at the influence of these developments on primary energy consumption, Chart 2 shows how single fuel dominance has changed to multi-fuel share.

However, these momentous changes have not been the major influence on UK energy consumption. The major influences, as this article will show, have been the oil price 'hikes' in 1973 and 1979 and the subsequent recessions. Chart 3 shows the movements in the crude oil price index since 1964.

Chart 3

Crude Oil Price Index (1985=100)

(Based on price data for both imported and North Sea oil acquired by UK refineries - in £)



Source: DTI & DUKES

The major source of data for 1950 to date is the Department of Energy's *Digest of UK Energy Statistics* (DUKES) (1) . This publication gives more detailed figures and explanations of concepts and terms used than is possible in this article. Data from the Department of Energy's *Energy Trends* (2), and from the Central Statistical Office's - The CSO Blue Book (3) have also been used. Annex Tables 1, 2 and 3 provide the major time-series used to underpin the charts and comments in the article.

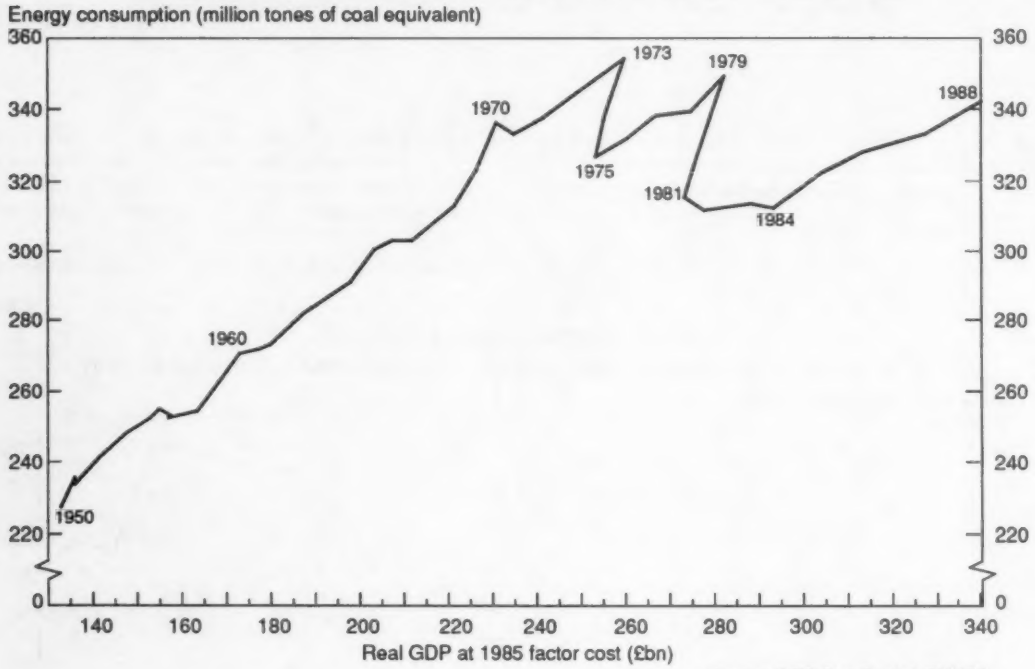
The remainder of the article examines energy consumption since 1950; how it has been influenced (predominantly by the oil price changes and feed-through to other energy prices and the economy generally); and the savings in energy resulting. The choice of 1950 as a base year is somewhat arbitrary and dictated by the availability of consistent annual series of real GDP and temperature-corrected energy consumption from that date.

2. Energy consumption

Chart 4 illustrates how energy consumption has moved compared with GDP since 1950. For most of the period both have increased.

Chart 4

Primary Energy Consumption and Real GDP of the UK since 1950



Source: CSO Blue Book & DUKES

Five distinct phases can be identified:

(i) A long period of fairly steady, even growth 1950-73 with a stable relationship between energy consumption and real GDP.

(ii) A plunge in energy consumption and fall in output 1973-75 as the first oil price hike took effect.

(iii) Resumption of growth in the economy 1975-79, and in the relationship of energy consumption and GDP.

(iv) A further plunge in energy consumption and fall in output 1979-81 as the second oil price hike effects worked through.

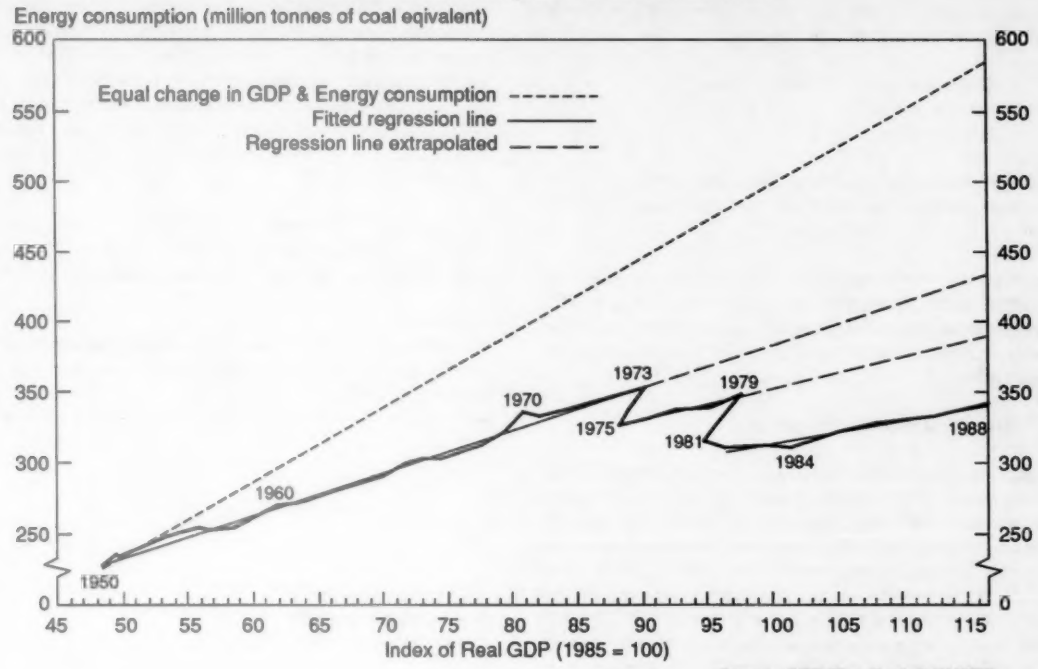
(v) Resumption of growth in the economy after 1981 and in energy consumption after 1982, and in the relationship of energy consumption and GDP.

Chart 5 shows the five phases more clearly. The broken line illustrates hypothetically how energy consumption would have moved if it had changed at the same rate as GDP each year from 1950 to date. Thus, from 1950-73 (and 1960-73) energy consumption increased at a slower rate than GDP, as indeed it had done for most of the previous century. The gap between the broken line and the 1950-73 fitted regression line can be interpreted as the contribution of the secular trend to lower energy requirements per unit of output. The energy coefficient[1] was relatively stable during this period. These relationships were broken after 1973. (Previous articles by Allen in 1976 (4) and Hull in 1981 (5) comment on this development.) As can be seen in Chart 5, a relationship between energy consumption and GDP resumed from 1975 but at a lower level of energy consumption for a given level of GDP, and with a slightly lower gradient (ie lower increase in energy consumption for a given increase in GDP). In 1979, the relationship was broken once more before a new relationship was established, again at a lower consumption level and slightly lower gradient.

[1]The growth rate of energy consumption divided by the growth rate of the economy.

Chart 5

Changes in the Primary Energy Consumption Real GDP relationship of the UK since 1950



Source: CSO Blue Book & DUKES

The 1973 and 1979 'shocks' to the oil price and the reactions to them, therefore, had a 'ratchet' downwards effect each time on energy consumption levels. The large fall in oil prices from 1985-88 (Chart 3), and the effect this had on energy prices generally, does not appear to have reversed the ratchet effect and supports the general view that the improvements achieved in energy conservation/ efficiency are not transient.

3. Energy savings

Energy consumption in 1988 could be viewed as being less than two- thirds the level it would have reached if it had increased in line with GDP since 1950 (Chart 5). Table A below gives some very approximate estimates of the savings in energy consumption which result from this hypothesis. The first row is an estimate of the contribution of the secular trend to reduced energy consumption (measured from the 1950 base) and the next two rows the estimates of specific ratchet effect savings.

TABLE A
Energy savings (million tonnes of coal equivalent)

From:	1988	Cumulative 1950-88
Rate of increase in energy consumption below that of GDP from 1950 onwards	150	2550
1973 price hike **ratchet** extra saving	40	450
1979 price hike **ratchet** extra saving	50	350
Total	240	3350

The cumulative savings since 1950 on this basis total about ten years energy consumption at current levels. Expressed in money terms the cumulative savings are very approximately £370 billion at current prices (or about £250 billion excluding taxes, distributors' margins, etc). Not far short of one year's GDP!

In 1988 the savings were approximately 240 million tonnes of coal equivalent (mtce), about 70 per cent of the year's primary energy requirement. This equates to about £27 billion in money terms (or about £19 billion excluding taxes, distributors' margins etc) – equivalent to one year's total investment (GDFCF) by industrial and commercial companies.

Perhaps of even greater significance are the implications of these savings in terms of reductions in emissions of gases such as carbon dioxide which contribute to global warming via the 'greenhouse effect'; sulphur dioxide which adds to acid rain; and nitrogen oxides which contribute to both. The estimates are very broad-brush, but in 1988 the savings equate to reductions in emissions of:

Carbon dioxide - 750 million tonnes
Sulphur dioxide - 10 " "
Nitrogen oxides - 4 " "

Note that these estimates include reductions resulting from the change in the mix of fuels used since 1950, eg the large reduction in the amount of coal consumed and its share of total energy consumption (see Chart 2). They also assume that the 1988 energy requirements could have been met from the 1950 mix of fuels. An estimate less affected by these assumptions is given in the paragraph below of the reductions in 1988 on a 1973 base.

Table A shows estimated 1988 savings of 150 mtce based on projections of the 1950 energy ratio compared with projections of the energy consumption/GDP relationship between 1950 and 1973.

Taking the secular progress to 1973 for granted, the equivalent savings measured projecting the 1973 energy ratio compared with projection of the energy consumption/GDP relationship is 30 mtce. The remaining ratchet effect savings in Table A of 90 mtce make a total saving of 120 mtce in 1988 on this basis. The equivalent approximate reductions in emissions are:

Carbon dioxide	-	300 million tonnes
Sulphur dioxide	-	4 " "
Nitrogen oxides	-	1 " "

The estimates are very broad-brush, but illustrate savings of carbon dioxide emissions of about half the estimated current annual UK total.

Leaving aside the savings - 30 mtce - estimated to accrue from the secular trend towards lower energy input for a unit increase in GDP, energy consumption in 1988 is an estimated 20 per cent lower than it would have been but for the 1973 and 1979 oil price hikes (the ratchet effect).

4. Primary/final user energy savings

Up to this point the data have related mainly to **primary** energy consumption 1950-88, temperature-corrected, ie energy consumption in each year adjusted for differences from the long-term average temperature. The remainder of the article concentrates on energy consumption between 1960 and 1988. (Chart 5 shows that the relationship between primary energy consumption and GDP between 1960 and 1973 is similar to that for 1950-73.) Final users' energy consumption measures the supply of fuels (primary or secondary as appropriate) to final users. It differs from primary (which assesses the total supply to the economy of primary fuels and their equivalents) by excluding fuel industry own use, and conversion, transmission and distribution losses – although it includes conversion losses by final users. Final users' energy consumption is generally presented in million therms rather than million tonnes of coal equivalent (mtce) used hitherto for primary energy. (An approximate conversion factor is 1 mtce = 250 million therms.) 1960 is the earliest year that data consistent with 1988 are available for **final** users' energy consumption. These data are not temperature-corrected, but examination of the key years and turning points (eg 1950, 1960, 1973, 1979 and 1988) indicates that, with the exception of 1979, average temperatures in each year were similar to the long-term mean. 1979 was colder, so energy consumption uncorrected for difference from the long-term mean temperature was higher. The following analysis draws heavily on work by Schaffer & Semple (6).

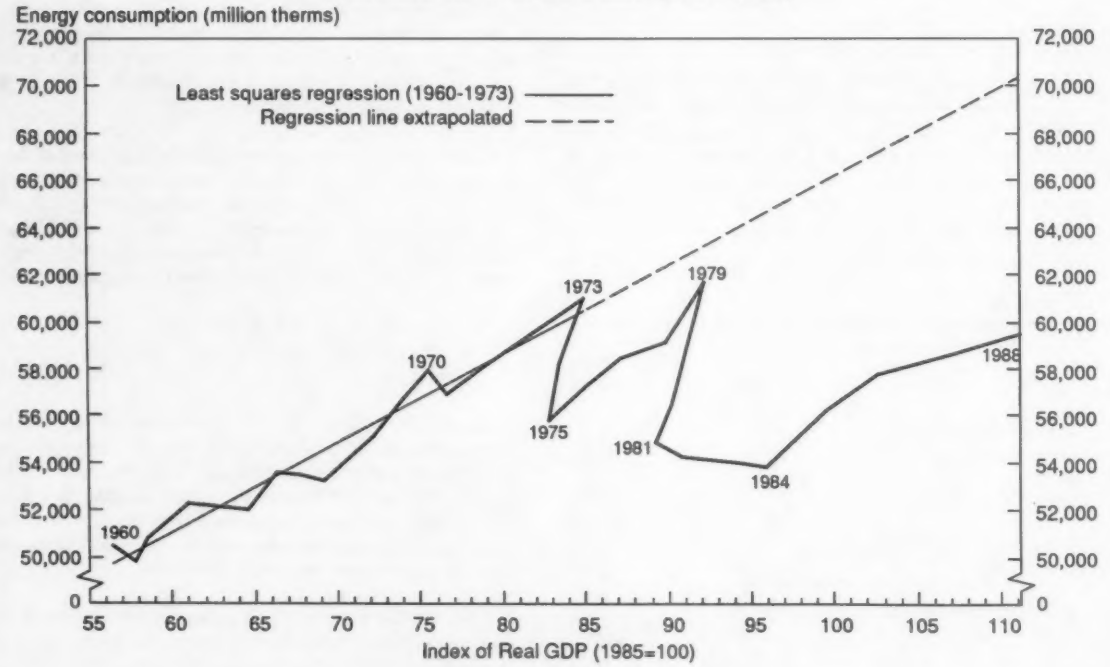
Table B shows the results of post-1973 projections in terms of savings in final users' energy consumption, and compares them with the equivalent estimates for primary energy requirements:

TABLE B
Contributions to the decline in energy consumption
(1988 actual compared with expectations based on 1973)

	Savings 1988		
	Primary	Final	
Factor	mtce	mtce	billion therms
Rate of increase in **energy consumption** *below* rate of increase in GDP	30	38	9.5
Ratchet effects	90	43	10.8
Total	120	81	20.3

Chart 6

Final Users Energy Consumption (inc Transport) in UK and Index of Real GDP (1960-1988)



The total saving in final users' energy consumption is less than that in primary consumption. As a proportion of 1988 totals, however, it was about one-third, similar to the proportionate saving in primary energy consumption.

The savings in final users' energy consumption in 1988 attributable to the ratchet effects totalled 10.8 billion therms. Chart 6 illustrates that these were broadly similar to those shown in Chart 5 for primary energy consumption. For final consumption, the resumption of the energy consumption/GDP relationship in each case (1975 and 1984), while starting from a lower level each time (like that for primary energy), has not resumed at a lower gradient each time (unlike that for primary energy).

5. Where have the savings occurred?

Table C shows the sectoral split of the final users' savings resulting from the ratchet effect (ie 10.8 billion therms).

The figures in Table C have been derived from the relationships between each sector's energy consumption and GDP. Thus, they may differ from the estimates quoted elsewhere in this article or obtained from the charts, since in these cases energy consumption is related to what is considered the most appropriate economic aggregate, eg manufacturing output, real personal disposable income.

Thus savings in energy consumption in industry and commerce were partly offset by increases in both the domestic and transport sectors above those to be expected from the projection of the 1960-73 relationships between energy consumption and the appropriate output/income measures.

Chart 7 shows the energy consumption savings in **manufacturing** in 1988. All the savings (over 9 billion therms) were in fossil fuel consumption.

TABLE C
Sectoral savings - 1988 (billion therms)

Manufacturing		13.2	14.5
Commerce and Public sector	0.8	1.3	
Agriculture	0.5		
Domestic		-2.0	-3.7
Transport		-1.7	

It also shows that no significant increase in fossil fuel consumption in manufacturing occurred during the recovery periods following the 1973 and 1979 oil price shock-induced recessions. Also, the fall in fossil fuel consumption in manufacturing industry was much greater after 1979 than after 1973. This differs from Chart 5 where the post-1979 fall was not significantly larger than that post-1973. With the post-1979 recession biting harder in manufacturing relative to total GDP than did the post-1973 recession, more drastic cuts were made in operating costs such as labour and energy. Additionally, more capital- intensive methods of production, higher levels of mechanisation, and energy-saving technologies were adopted. These cut fossil fuel consumption but not consumption of electricity. Schaffer in 1989 (7), comparing 1979 and 1987, shows that over this period the reduction of energy demand per unit of output within manufacturing owed little to output effects, or structural change, but was mainly the result of energy efficiency measures defined widely to include the effects of technological change. Despite falls in the real and/or relative price of fuels, and the growth of 25 per cent in manufacturing output, the relative stability of fossil fuel consumption in manufacturing since 1982 shows the result of such investment. This in no small measure was due to the continuing efforts to promote energy efficiency. The Energy Efficiency Office(EEO) was set up in 1983.

Chart 7

Manufacturing Industry Fossil Fuel Consumption in UK and Index of Manufacturing Output (1960-1988)

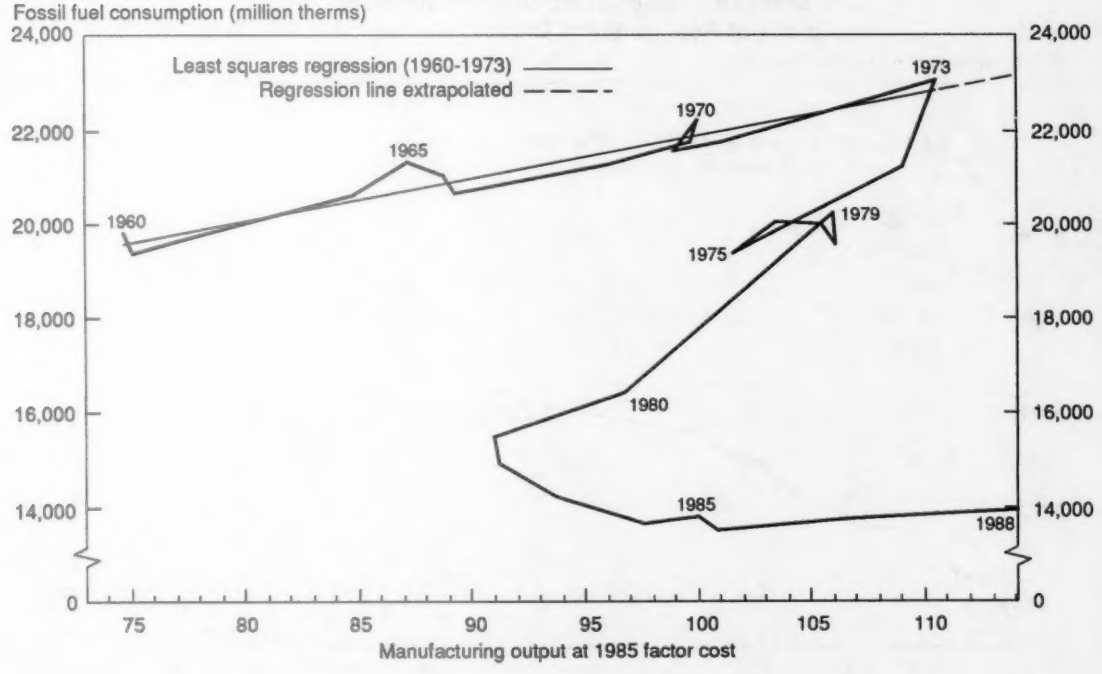
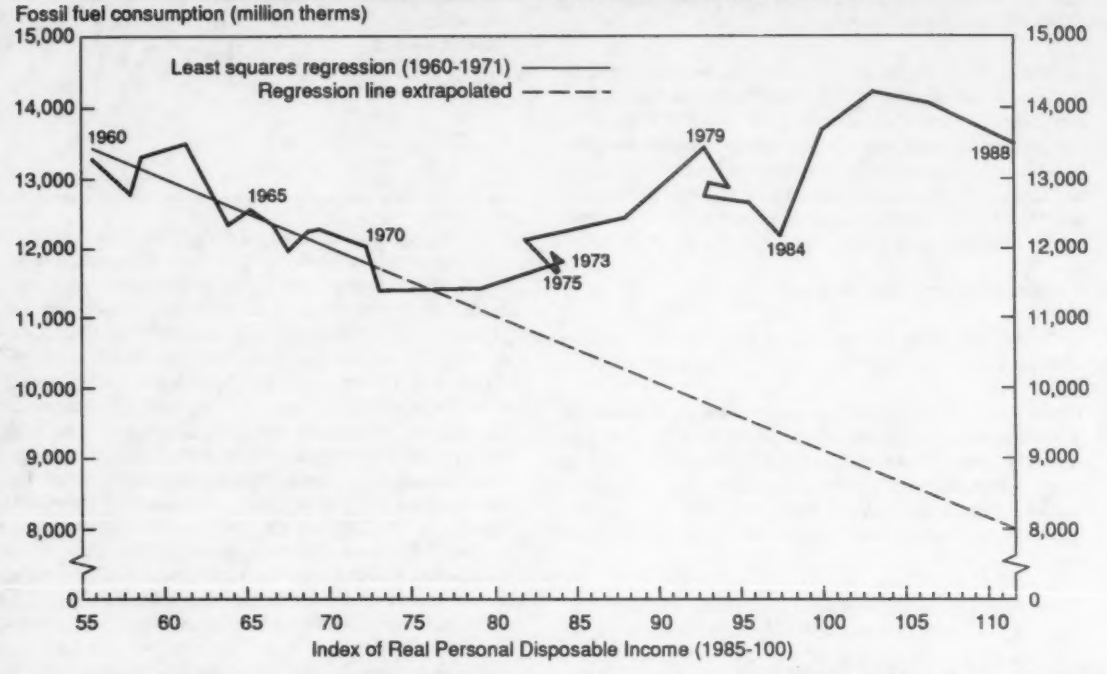


Chart 8

Domestic Sector Fossil Fuel Consumption in UK and Index of Real Personal Disposable Income (1960-1988)



The savings in **commerce** etc were mainly in fossil fuels. Here the recovery of energy consumption to former levels after the 1973 oil price shock induced recession was not repeated in the post-1979 experience.

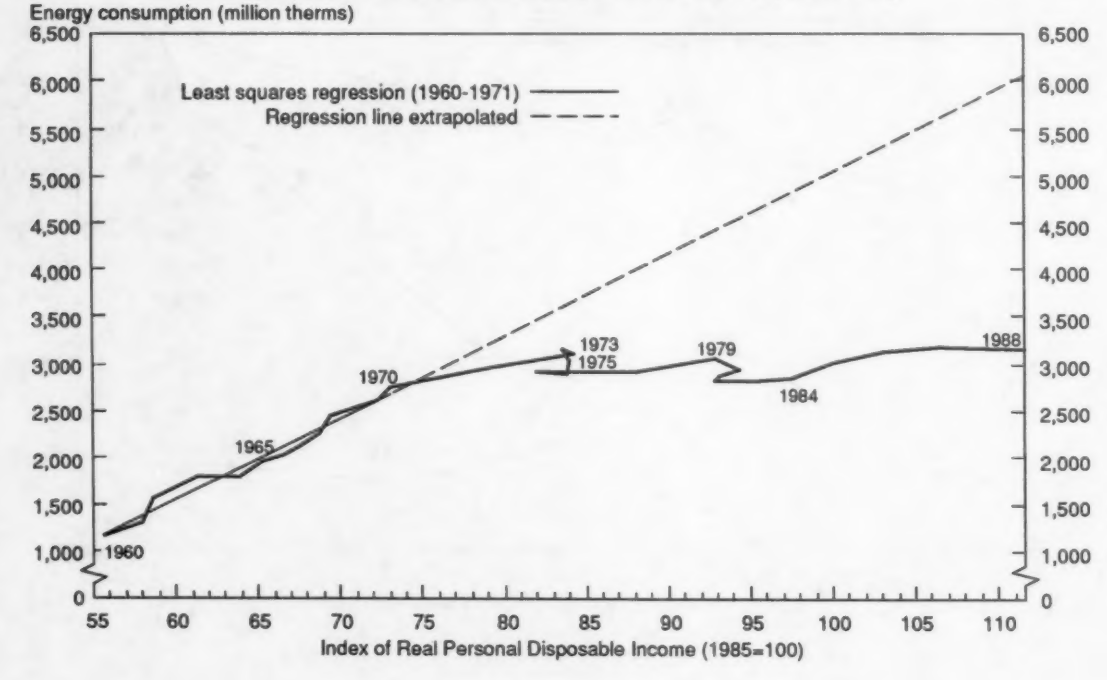
Domestic sector consumption of fossil fuels fell between 1960-71 as real personal disposable income(RPDI) increased. (See Chart 8.)

However, the substitution of electricity by natural gas turned the relationship round, and the overall movement in fossil fuel consumption has been upwards since 1971 (with increasing RPDI). The chart shows 'dis-saving' of 5.5 billion therms of fossil fuels in 1988 projecting consumption on the basis of the 1960-71 relationship.

The concomitant is shown in Chart 9. This illustrates how domestic electricity consumption increased until the turn of the Seventies, and has remained relatively static thereafter.

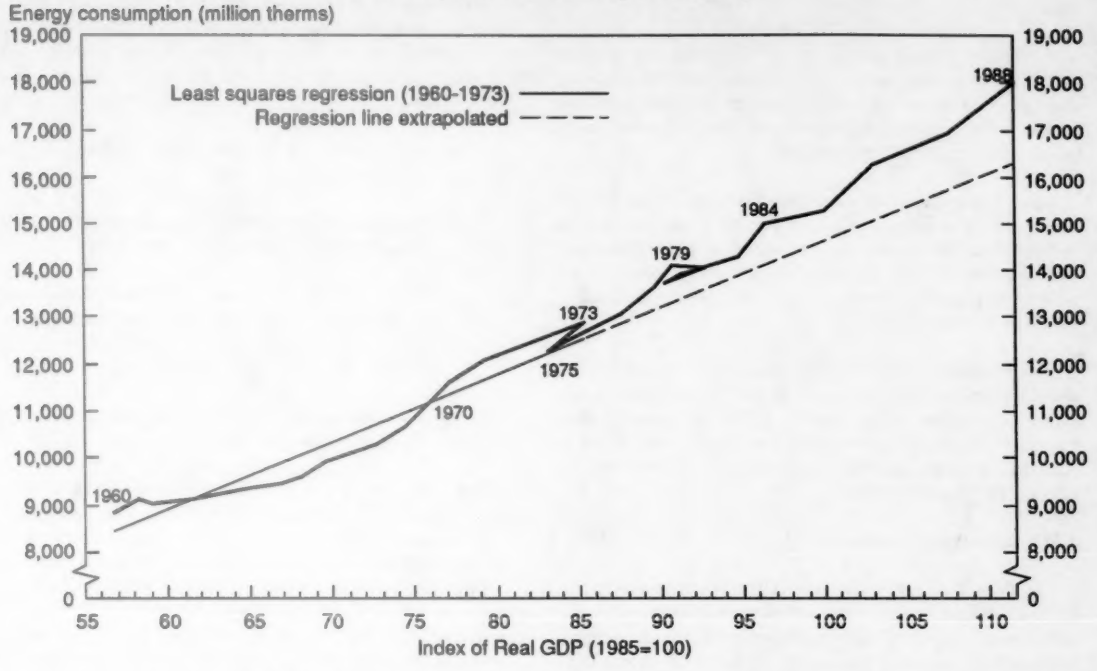
Chart 9

Domestic Sector Electricity Consumption in UK and Index of Real Personal Disposable Income (1985=100)



Transport Sector Energy Consumption in UK and Index of Real GDP (1960-1988)

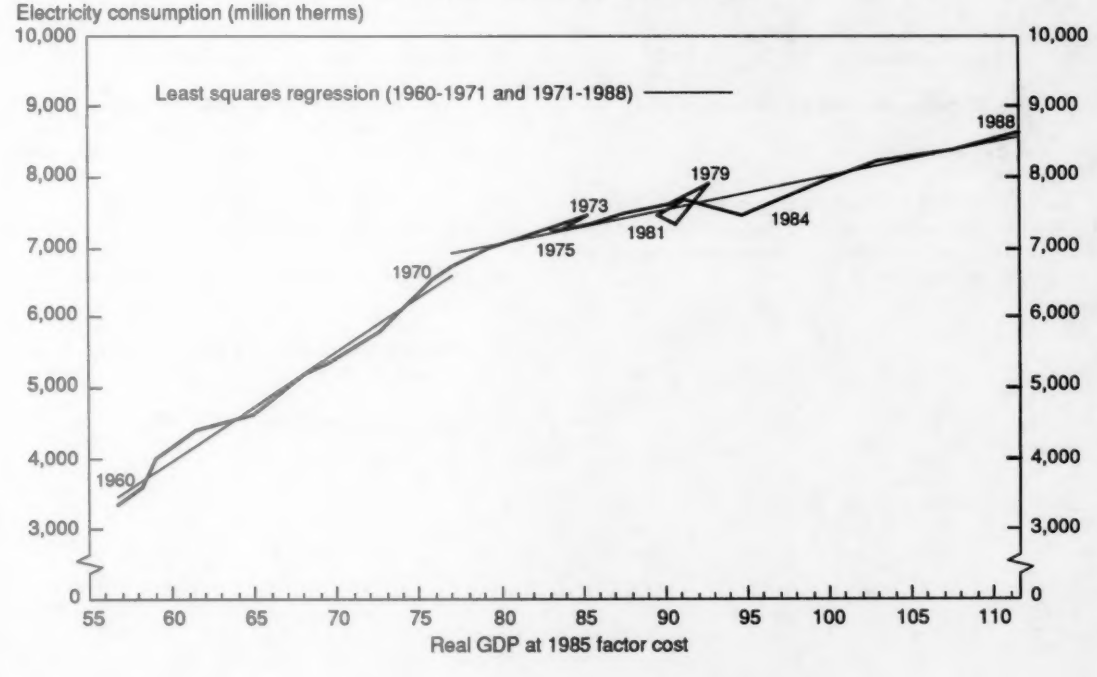
Chart 10



The savings in domestic electricity are more than offset by the increase in fossil fuels (notably natural gas consumption). These developments reflect the growth of central heating (particularly gas) with accompanying increase in standards of comfort demanded. Another contributory factor is the increase in the number of households which in terms of energy consumption has more than outweighed a decline in average size of household. Since 1971 the number of households has increased by about 3 million. (The GB total was about 21.2 million in 1987.) Over the same period the average size of household fell from 2.9 to under 2.6.

Final Users Electricity Consumption (ex Transport) in UK and Index of Real GDP (1960-1988)

Chart 11



Transport sector energy consumption (virtually all fossil fuel) has increased over the whole period since 1960 as shown in Chart 10.

The 1973 and 1979 oil price hikes would appear to have exerted no lasting effect on transport sector energy consumption. As living standards have improved, energy consumption in this sector has increased more rapidly than would be expected from simple projection of the 1960-73 relationship.

About 70 per cent of the total ratchet savings in 1988 were in fossil fuels. This is despite the growth in fossil fuel consumption in both the domestic and transport sectors at a rate above that expected from the 1960-73 relationships of energy consumption with output (income). The remaining savings were in electricity - see Chart 11 (and also Chart 9).

Although similar to Chart 9, Chart 11 demonstrates that final users' electricity consumption increased after 1971, albeit at a much slower rate than over the previous decade. The static position after the turn of the Seventies for domestic electricity consumption (as natural gas became available) was not a feature in manufacturing and only partly so in commerce.

6. Why have the savings occurred?

The obvious trigger for the ratchet effect savings were the two oil-price hikes, and their subsequent effect on energy prices generally, and economic growth. Underlying these is evidence of a longer-term trend improvement (ie reduction) in both primary and final users' energy use relative to the growth of the economy. Schaffer and Semple (6) analyse the effects in detail, but in addition to the secular movement containing the combined effects of all the factors referred to below, the ratchet savings are attributed specifically to these five factors (some of which result in 'dis-savings').

(i) **Energy efficiency**
(including technological developments)

(ii) **Structural change** (1973-88)

(iii) **Reduction in conversion and distribution losses, industry own use**

(iv) **Substitution of gas for electricity** (from 1971)

(v) **Transport sector use**

Factors (i), (ii), (iii) and (iv) all contribute to energy savings at the primary level. At the final users' level Factor (iii) does not apply, and Factor (iv) joins (v), as shown earlier in this article, in contributing to 'dis-savings' of energy.

7. Conclusion

Both the 1973 and 1979 oil-price hikes and subsequent recessions exerted a downwards ratchet effect on energy consumption/GDP relationships, with no apparent reverse effect following the fall in oil prices between 1985 and 1988. These observed changes are consistent with:

(a) recessional shake-out of inefficient firms and plant, and altering **structure** of GDP;

(b) application of **new, more (energy) efficient technology**; underpinning these changes is a third factor:

(c) **secular movement** towards greater energy efficiency in primary and final users' consumption. This has taken place over the whole period and includes the effects of (a) and (b) not induced by the oil-price 'hikes'.

Energy consumption as a result is currently lower than in 1973, despite a one-third increase in real GDP since then.

Thus there would appear to have been considerable energy savings (and therefore monetary savings and reductions in gaseous emissions too) compared with what might have been expected on the basis of pre-1973 relationships. This, has occurred despite 'dis-savings' in the transport and domestic sectors where energy demand has risen faster than might have been expected from the pre-1973 relationships. This is the result of increases in fuel use in air travel; road transport of goods; private motoring; and the introduction of central heating and increased comfort standards demanded. All the savings occurred in manufacturing, and, to a lesser extent, in the miscellaneous sector (which covers commerce, the public sector, and agriculture). In these sectors virtually all the savings were in fossil fuel use rather than in electricity.

References

(1) Department of Energy. *Digest of United Kingdom Energy Statistics* (latest issue 1988). HMSO annually.

(2) Department of Energy. *Energy Trends*. DEn monthly.

(3) Central Statistical Office. *United Kingdom National Accounts*, Blue Book (latest 1988). HMSO, plus quarterly figures for National Income & Expenditure (*Economic Trends*, quarterly).

(4) Allen. 'The energy coefficient and the energy ratio' *Economic Trends*, August 1976.

(5) Hull. 'The energy coefficient revisited' *Economic Trends*, May 1981.

(6) Schaffer & Semple. *Energy demand and energy efficiency* (forthcoming 1989).

(7) Schaffer. *Industrial energy markets*. HMSO. 1989.

ANNEX

TABLE 1
Primary energy consumption, GDP and energy ratio

Years	Total inland consumption of Primary Energy (temperature corrected)		Gross Domestic Product (average estimate) at 1985 factor cost		Energy ratio	
	Million tonnes of coal equivalent (mtce)	Index 1985=100	£ million	Index 1985=100	Tonnes of coal equivalent per £1000 of GDP	Index 1985=100
1950	227.7	70.6	132211	43.4	1.72	163.07
1951	235.5	73.1	135818	44.5	1.73	164.05
1952	234.0	72.6	136154	44.7	1.72	162.60
1953	241.2	74.8	141527	46.4	1.70	161.24
1954	248.6	77.1	147387	48.3	1.69	159.58
1955	253.0	78.5	153079	50.2	1.65	156.37
1956	255.0	79.1	155044	50.8	1.64	155.61
1957	253.6	78.7	157649	51.7	1.61	152.20
1958	252.6	78.4	157097	51.5	1.61	152.13
1959	254.6	79.0	163561	53.6	1.56	147.27
1960	270.9	84.1	173217	56.8	1.56	147.97
1961	272.2	84.5	177572	58.2	1.53	145.03
1962	273.6	84.9	179878	59.0	1.52	143.91
1963	282.3	87.6	187419	61.5	1.51	142.51
1964	291.2	90.4	198069	65.0	1.47	139.10
1965	300.7	93.3	203776	66.8	1.48	139.61
1966	302.8	93.9	207571	68.1	1.46	138.02
1967	303.2	94.1	212089	69.6	1.43	135.26
1968	312.9	97.1	221421	72.6	1.41	133.70
1969	323.0	100.2	226830	74.4	1.42	134.72
1970	336.3	104.3	231350	75.9	1.45	137.53
1971	332.9	103.3	234999	77.1	1.42	134.03
1972	337.4	104.7	241428	79.2	1.40	132.22
1973	354.2	109.9	259998	85.3	1.36	128.89
1974	337.9	104.8	255797	83.9	1.32	124.98
1975	326.9	101.4	253651	83.2	1.29	121.93
1976	331.5	102.9	260596	85.5	1.27	120.35
1977	338.2	104.9	267260	87.6	1.27	119.72
1978	339.1	105.2	275376	90.3	1.23	116.51
1979	349.3	108.4	282782	92.7	1.24	116.87
1980	327.2	101.5	276495	90.7	1.18	111.96
1981	315.3	97.8	273462	89.7	1.15	109.09
1982	311.7	96.7	278420	91.3	1.12	105.92
1983	313.6	97.3	288703	94.7	1.09	102.77
1984	312.1	96.8	293909	96.4	1.06	100.47
1985	322.3	100.0	304933	100.0	1.06	100.00
1986	328.3	101.9	313970	103.0	1.04	98.93
1987	333.3	103.4	327933	107.5	1.02	96.16
1988p	343.1	106.5	340257	111.6	1.01	95.40

p = provisional data

Sources:DUKES, DEn; CSO Blue Book

TABLE 2
Key Indices

1985=100

Years	GDP(A) at 1985 factor cost	Manufacturing Output	Real Personal Disposable Income	Services Sector Output	Crude oil Price
1960	56.8	74.7	55.7	56.5	..
1961	58.2	74.9	58.0	57.9	..
1962	59.0	75.1	58.6	58.7	..
1963	61.5	77.7	61.3	60.6	4.54
1964	65.0	84.8	63.9	63.0	4.44
1965	66.8	87.2	65.2	64.5	4.16
1966	68.1	88.8	66.6	65.9	3.89
1967	69.6	89.3	67.6	67.3	4.12
1968	72.6	96.1	68.8	69.2	4.92
1969	74.4	99.7	69.4	70.3	4.60
1970	75.9	100.0	72.2	72.3	4.43
1971	77.1	99.0	73.1	74.2	5.62
1972	79.2	101.1	79.2	77.2	5.68
1973	85.3	110.5	84.2	80.5	7.42
1974	83.9	109.1	83.6	80.6	21.45
1975	83.2	101.6	84.0	81.5	25.18
1976	85.5	103.5	83.8	83.3	33.11
1977	87.6	105.5	82.0	84.4	37.60
1978	90.3	106.1	88.0	87.1	34.89
1979	92.7	106.0	92.9	89.6	42.43
1980	90.7	96.8	94.3	89.2	65.57
1981	89.7	91.0	93.2	89.5	84.59
1982	91.3	91.2	93.4	90.8	89.64
1983	94.7	93.7	95.5	93.7	93.18
1984	96.4	97.6	97.3	97.7	103.28
1985	100.0	100.0	100.0	100.0	100.00
1986	103.0	100.9	103.1	103.7	48.07
1987	107.6	106.6	106.5	109.1	52.07
1988	111.6	114.1	111.6	114.1	40.76

Sources: CSO Blue Book; DTI

TABLE 3
Energy consumption by final user

million therms

	Final Users (Inc Agriculture) Consumption				Manufacturing Industry Consumption			Commercial and Public Sector Consumption			Domestic Sector Consumption			Transport Sector Energy Consumption
Year	Energy (Inc. Trans)	Energy (exc. Trans)	Fossil Fuel (exc. Trans)	Electricity (exc. Trans)	Energy	Fossil Fuel	Electricity (public supply only)	Energy	Fossil Fuel	Electricity	Energy	Fossil Fuel	Electricity	
1960	50528	41714	38342	3372	21351	19832	1519	5340	4785	555	14422	13273	1149	8812
1961	49871	40759	37123	3636	21163	19592	1571	4875	4271	604	14081	12776	1305	9112
1962	50927	41912	37866	4046	20994	19370	1624	5391	4698	693	14873	13314	1559	9015
1963	52380	43268	38836	4432	21426	19724	1702	5882	5117	765	15270	13485	1785	9112
1964	52132	42789	38136	4653	22509	20628	1881	5505	4697	885	14117	12330	1787	9343
1965	53668	44231	39209	5022	23295	21297	1998	5756	4871	936	14517	12564	1953	9437
1966	53543	43939	38717	5222	23079	21027	2052	5833	4897	988	14381	12340	2041	9604
1967	53301	43373	37982	5391	22760	20682	2078	5909	4821	1079	14083	11955	2128	9928
1968	55169	44856	39036	5820	23518	21260	2258	6088	5009	1166	14529	12254	2275	10313
1969	56768	46102	39857	6245	24140	21740	2400	6497	5331	1230	14720	12256	2464	10666
1970	57953	46767	40200	6567	24689	22198	2491	6685	5455	1276	14643	12014	2629	11186
1971	57002	45368	38611	6757	24067	21561	2506	6368	5092	1318	14141	11387	2754	11634
1972	58041	45956	38952	7004	24256	21759	2497	6455	5137	1428	14395	11429	2966	12085
1973	61034	48158	40656	7502	25790	23058	2732	6567	5139	1311	14917	11801	3116	12876
1974	58284	45872	38585	7287	23791	21204	2587	6248	4937	1422	15086	11925	3161	12412
1975	55876	43615	36353	7262	21953	19381	2572	6218	4796	1473	14713	11668	3045	12261
1976	57327	44611	37252	7359	22827	20068	2759	6546	5073	1555	14546	11641	2905	12716
1977	58533	45482	37960	7522	22815	20015	2800	6887	5332	1555	15049	12117	2932	13051
1978	59208	45484	37831	7653	22454	19587	2867	6939	5297	1642	15359	12430	2929	13724
1979	61739	47702	40181	7927	23214	20226	2988	7255	5517	1738	16501	13440	3061	14037
1980	56537	42428	35057	7371	19147	16426	2721	6888	5135	1753	15816	12877	2939	14109
1981	54921	41303	33817	7486	18094	15465	2629	6854	5076	1778	15797	12915	2882	13618
1982	54279	40370	32657	7713	17436	14914	2522	6807	5006	1801	15569	12744	2825	13909
1983	54043	39728	32242	7486	16720	14189	2531	6943	5043	1900	15488	12658	2830	14315
1984	53890	38891	31237	7654	16311	13628	2683	6987	5105	1882	15044	12181	2863	14999
1985	56319	41035	33048	7987	16517	13803	2714	7254	5230	2024	16698	13688	3010	15284
1986	57841	41584	33341	8243	16229	13496	2733	7442	5304	2138	17348	14215	3133	16257
1987	58677	41737	33322	8415	16609	13747	2862	7329	5098	2231	17253	14071	3182	16940
1988p	59542	41548	32902	8646	16860	13945	2915	7489	5058	2431	16661	13501	3160	17994

p = provisional data

Sources: DUKES, Energy trends

Index of sources

United Kingdom balance of payments: National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

	Table	*Source*	*Further statistics*
Average earnings	1,23	Department of Employment	Monthly Digest of Statistics Employment Gazette
Balance of payments	1,27	Central Statistical Office	Financial Statistics Quarterly articles in Economic Trends
Banking		Bank of England	Financial Statistics
Bank loans, advances and acceptances	36,37,38		
British government securities (long dated)			
20 years yield	39		
Building societies		Bank of England	Financial Statistics
Advances on new dwellings	12	Building Societies Association	
Average prices of new dwellings on mortgage (see also Housing)	12		
Commitments on new dwellings	12		
Recommended share rate (see also Interest rates)	39		
Capital account summary, analysis by sector	33	Central Statistical Office	Financial Statistics
Car registrations and production (see also Motor vehicles)	6,19		
CBI Intentions Inquiry (see also Fixed investment)	10		
Coal (see also Energy)	15		
Commercial vehicles, production (see also Motor vehicles)	19		
Companies		Central Statistical Office	Financial Statistics
Financial companies			
Capital account, financial surplus/deficit	33		
Saving	33		
Gross trading profits	34		
In relation to total domestic income	7		Monthly Digest of Statistics
Industrial and commercial companies	34		Financial Statistics
Appropriation account	34		
Dividends, interest and current transfer payments	34		
Fixed investment	36		
Income	34		
Net borrowing requirement	36		
Saving	33,34,35		
Security prices and yields (see also Interest rates)	39		
Stock appreciation	34		
Taxes	34		
Construction industry		Department of the Environment	Housing and Construction Statistics
Index of output (see also Industrial production)	17		
Orders received	10,12,18		
Output	18		
Consumer credit	6	Central Statistical Office	Financial Statistics
Consumers' expenditure		Central Statistical Office	Monthly Digest of Statistics
Component categories	5		
In relation to personal income	4		
In relation to total final expenditure	7		
Per head	8		
Counterparts to changes in M3	30	Bank of England	Financial Statistics
Credit business (see Hire purchase)	6		

Current balance (see also Balance of payments)	1,27		
Cyclical indicators (see article on page 70)			
Distributive trades		Central Statistical Office	Monthly Digest of Statistics
Output (see also Retail sales; Stocks)	17		
Dividends, interest and current transfer payments	34		
Domestic income (see also Incomes)	8		
Dwellings (see also Housing)	12		
Earnings (average)	1,23	Department of Employment	Monthly Digest of Statistics Employment Gazette
Electricity (see also Energy)	15		
Employed labour force	20,21	Central Statistical Office	Monthly Digest of Statistics
Employees in employment		Department of Employment	Monthly Digest of Statistics
All industries and services and manufacturing	21		Employment Gazette
Energy	15		
Consumers' expenditure on fuel and light	5	Central Statistical Office	Monthly Digest of Statistics
output index for energy and water supply	16		Monthly Digest of Statistics
Primary fuel input: total, coal and petroleum	15	Department of Energy	United Kingdom Energy Statistics
Public supply: electricity	15		Energy Trends
Engineering industries		Department of Trade and Industry	Monthly Digest of Statistics
Sales and orders: total, home market and export	18		British Business
Eurodollar-3-month rate (see also Interest rates)	39		
Exchange rates	1,28	Bank of England	Financial Statistics
Expenditure (see also Total final expenditure)	3,7		
Exports		Department of Trade and Industry	Monthly Digest of Statistics
Of goods			British Business
Unit value index	25		Monthly Review of External Trade Statistics
Unit value index for manufactures (international comparisons)	26		
Value	27		
Volume index	25		
Of goods and services	3,7	Central Statistical Office	Monthly Digest of Statistics
Of passenger cars, commercial vehicles	19		
Orders; engineering industries	18		
Relative prices (as measure of trade competitiveness)	26	Department of Trade and Industry	Monthly Review of External Trade Statistics
Relative profitability (as measure of trade competiveness	26		
Final expenditure (see also Total final expenditure)	3,7		
Financial companies (see also Companies)	33		
Fixed investment			
By industrial and commercial companies (see also Companies)	36		
By sector and by type of asset	9	Central Statistical Office	Monthly Digest of Statistics
Dwellings (see also Housing)	9,12		British Business
In relation to total final expenditure	3,7		Monthly Digest of Statistics
Manufacturing industry			
CBI Intentions Inquiry	10	Confederation of British Industry	Industrial Trends Survey
Contractors' orders for private industrial work	10	Department of the Environment	Housing and Construction Statistics
In plant and machinery, new buildings and work	10	Department of Trade and Industry	Monthly Digest of Statistics
Gas (see also Energy)	15		
General government consumption of goods and services	3,7	Central Statistical Office	Monthly Digest of Statistics
Receipts and expenditure	31		Financial Statistics

Gross domestic fixed capital formation (see also Fixed investment)	7,9,12,34		
Gross domestic product	2	Central Statistical Office	Monthly Digest of Statistics
And components of final expenditure	3		
In relation to output	17		
In relation to stocks	14		
Per head	8		
Gross national product per head	8	Central Statistical Office	Not published elsewhere
Gross trading profits of companies (see also Companies)	34		
Hire purchase debt	6	Department of Trade and Industry	Monthly Digest of Statistics British Business Financial Statistics
Housing			
Average price of new dwellings mortgages approved	12	Department of the Environment Building Societies Association	Housing and Construction Statistics
Commitments and advances on new dwellings	12	Building Societies Association	Financial Statistics
Consumers' expenditure on housing	5	Central Statistical Office	Monthly Digest of Statistics
Fixed investment in dwellings	9,12		
Orders received by contractors for new houses	12	Department of the Environment	Monthly Digest of Statistics
Starts and completions	12	Scottish Development Department	Housing and Construction Statistics
Imports			
Of goods		Department of Trade and Industry	Monthly Digest of Statistics British Business
Unit value index	25		
Value	27		
Volume index	25		
Of goods and services in relation to total final expenditure	3	Central Statistical Office	Monthly Digest of Statistics
Price competitiveness	26	Department of Trade and Industry	Not published elsewhere
Incomes		Central Statistical Office	Monthly Digest of Statistics
Company income (see also Companies)	34		
Income from employment as a percentage of total domestic income (see also Wages: Earnings)	7		
Personal disposable income	4		
Per head	8		
Personal income before tax	4		
Total domestic income	7		
Industrial and commercial companies (see also Companies)	34		
Industrial production: index of output	1,16	Central Statistical Office	Monthly Digest of Statistics
By market sector	16		
By selected industries	16		
In relation to output	17		
In relation to stocks (manufacturing industries)	14		
Inter-bank 3-month rate (see also Interest rates)	39		
Interest rates	39	Central Statistical Office Bank of England HM Treasury Building Societies Association *Financial Times* Institute of Actuaries Faculty of Actuaries	Financial Statistics
British government securities long-dated (20 years) yield			
Building Societies Association recommended share rate			
Eurodollar 3-month rate			
Financial Times index of industrial ordinary shares			
Inter-bank 3-month rate			
Local authorities 3-month deposit rate			
Selected retail banks base rate and 7-day deposits			
Sterling certificates of deposit			
Treasury bill yield			
US $ deposits in London			
Invisibles (see also Balance of payments)	27		

Liquidity, private sector	29	Bank of England	Financial Statistics
Local authorities 3-month deposit rate (see also Interest rates)	39		
Manufacturing industry (see Banking; Employees in employment; Fixed investment; Hours worked; Industrial production; Output per person employed; Output per person hour; Stocks; Wage rates; Wages and salaries)			
Money stock	1,29,30	Bank of England	Financial Statistics
Motor vehicles			
New car registrations	6	Department of Transport	Monthly Digest of Statistics
Production of passenger cars and commercial vehicles: total and for export	19	Department of Trade and Industry	British Business
National disposable income	2	Central Statistical Office	
Official reserves	1,28	HM Treasury	Financial Statistics Monthly Digest of Statistics
Orders received			
By construction industry (see also Construction)	10,12,18		
By contractors for private industrial work	10	Department of the Environment	Housing and Construction Statistics
By engineering industries (see also Engineering)	18		
Output			
By construction industry (see also Construction)	17,18		
By engineering industries (see also Engineering)	18		
Index numbers by industry groups	17	Central Statistical Office	Monthly Digest of Statistics
Manufacturing industries	16		
Per person employed	20		
Per person hour: manufacturing industry	20		
Production industries	16		
Overseas trade (see Exports; Imports; Visible trade)			
Personal disposable income	4,8	Central Statistical Office	Monthly Digest of Statistics
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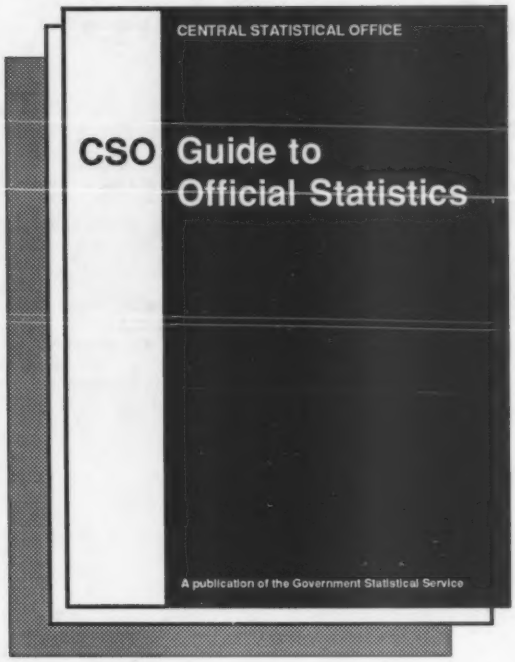

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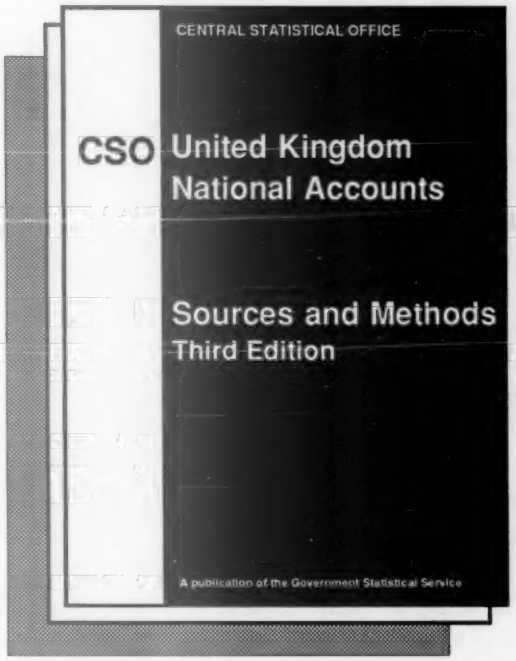

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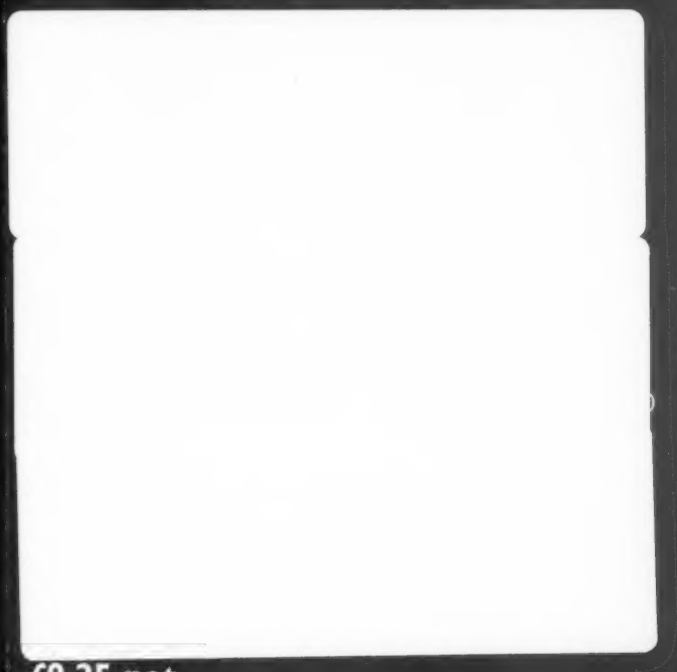

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